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ABSTRACT

A study examined the job functions of certified financial planners, the areas of knowledge needed by new financial planners, the links between these knowledge areas and the job functions of financial planners, and the validity of the examinations currently used by the College of Financial Planning to certify financial planners. A multimethod approach, consisting of a literature search, interviews with certified financial planners, and input from advisory committees, was used to develop the survey instrument. A random sample of 1,815 financial planners was asked to rate the importance of 51 job tasks (reduced to an 11-factor job structure related to marketing financial planning services, interviewing clients, explaining financial planning issues and concepts, analyzing client circumstances, developing comprehensive financial plans, implementing and monitoring financial products, monitoring financial plans, complying with requirements, managing a planning practice, and consulting with other professionals) and 99 knowledge areas listed under six headings: risk management and general, investment, tax, retirement, and estate planning. Of the 1,815 surveys mailed out, 621 were completed and returned; 566 (91 percent) of the returned survey forms were used. With the exception of marketing and managing a financial planning practice, all of the job task components were considered crucial to the job performance of a certified financial planner. Ninety-eight of the 99 knowledge areas were also rated as crucial. (References, the survey instruments and statistical breakdowns of the data collected are appended.) (MN)

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JOB ANALYSIS
OF THE PROFESSIONAL REQUIREMENTS
OF THE
CERTIFIED FINANCIAL PLANNER

Larry Skurnik

U.S. DEPARTMENT OF EDUCATION
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The views expressed in this report are the author's and do not necessarily represent those of the College, the IBCFP, or the many generous people who provided assistance.

Larry Skurnik, Ph.D.

EXECUTIVE SUMMARY

BACKGROUND

Certified Financial Planners (CFPs) are designated by a certification process that utilizes the six-part examinations produced by the College for Financial Planning on behalf of the International Board of Standards and Practices for Certified Financial Planners, Inc. (IBCFP). Since 1972, when the College initiated the Certified Financial Planner™ (CFP®) Professional Education Program, the examinations were designed to measure domain-referenced competence which could be obtained by studying the College's course materials and assigned texts. The study program and the examinations were developed and revised from time to time in cooperation with experienced financial planners and educators and, therefore, were considered to be content valid. However, further job analysis study and documentation subsequently was required as the exam shifted in function from a College course achievement measure to a credential for certification of minimum competence under the aegis of the IBCFP.

Although there was evidence of the validity of the exams as representative measures of the course content, further corroboration of the relationship between the job functions of qualified financial planners and the minimum knowledge requirements for their initial certification was desired. The additional evidence is an essential element in the continuing process of content validation of any examination. The goals of this research study were to describe the important job functions of financial planners, identify the important topics of knowledge needed by new CFPs, describe the links between the knowledge areas and the job functions identified, and provide further information for use in documenting the validity of the CFP examinations.

JOB ANALYSIS METHODOLOGY

A multi-method approach was chosen to identify the important tasks and knowledge requirements of planners, using the procedures and resources described below.

1) Literature Search: Published information was reviewed about the duties, responsibilities, and requirements for planners, including job descriptions and other related articles and books describing what CFPs do and what they need to know to perform their work in a minimally acceptable fashion.

2) Interviews with CFPs: Job analysis interviews were conducted with 24 experienced planners and supervisors residing in 11 states, to learn firsthand about the professional requirements of planners. The information obtained by this method was combined with the knowledge gained from the literature search to develop a list of 46 tasks that planners perform and a list of 85 topics of knowledge that they use in their work. The lists were transformed into a draft inventory of tasks and topics of knowledge for review and elaboration by members of the Advisory Committees.

3) Advisory Committees: Two types of Advisory Committees were organized to participate in various aspects of this research study. A College for Financial Planning Internal Advisory Committee reviewed the research design, the draft instruments developed, the plan for data analysis, and the draft report. An external, twelve-member Job Analysis Advisory Committee consisting of CFPs, educators, and other experts also reviewed the research design, the contents of the draft instuments and helped to interpret the results.

THE SAMPLE

A broad, judgmental sample of 1,815 financial planners was selected randomly for a survey of the job requirements. The sample was designed to be representative of qualified planners in general, including some who have obtained their qualifications through routes to recognition other than by conferment of the CFP designation. The sample was chosen from lists of members of the IAFP Registry of Financial Planning Practitioners (650), the National Association of Personal Financial Advisors (165), and graduates of the College for Financial Planning (500). A survey questionnaire also was forwarded by the American College to a random sample of 500 Chartered Financial Consultants.

FIELD TRIAL

After the advisory committees reviewed and revised the draft inventory of tasks and knowledge areas, it was pretested to ensure clarity of instructions and wording of the content, and to estimate the amount of time required for respondents to complete the survey.

DESCRIPTION OF THE INVENTORY

The Inventory of the Professional Responsibilities and Knowledge Requirements of Financial Planners contains 51 job tasks of planners, grouped into six broad job functions:

A. Marketing financial planning services
B. Evaluating client needs
C. Explaining financial planning concepts and clarifying client goals
D. Analyzing information and preparing comprehensive financial plans
E. Implementing and monitoring comprehensive financial plans
F. Establishing and maintaining accurate records and performing other professional functions

Rating scales were included in the inventory to obtain the judgments of planners on the importance of each task to the job and the extent to which a newly certified planner needs to be able to perform the task at the time of initial certification.

The inventory also contains a list of 99 topics of knowledge that planners might need to have mastered. The knowledge areas are listed under the headings of:

G. General Financial Planning
H. Risk Management
I. Investment Planning
J. Tax Planning
K. Retirement Planning
L. Estate Planning

The topics were rated on importance of understanding for competent performance on the job and on the level of knowledge which a newly certified planner needs to possess at the time of initial certification.

Fifteen demographic questions about respondent characteristics were included to permit description of the sample and to provide a basis for analysis of results of different groups of planners. A provision was made for survey respondents to list important additional tasks and knowledge areas not included in the questionnaire.

ADMINISTRATION OF THE INVENTORY

Each of the 1,815 planners chosen in the sample was supplied with a copy of the inventory, a cover letter explaining the importance of the survey (while assuring anonymity of the respondents), and a prepaid envelope to expedite return of the survey. Of the 1,815 inventories dispatched, 621 or 34.2% were returned, which is a typical response rate for mailed questionnaires. Of these, 566 (91%) were received in a timely fashion, in complete and usable form, and were keypunched for analysis.

ANALYSIS OF TASKS

The planners judged 50 of the 51 tasks to be quite important in the performance of their job and also essential to the competence of newly qualified planners at the time of initial certification. (The lone exception was the use of audio-visual media to market financial planning services.) No new, major tasks or topics were listed by the respondents that were not already included in the inventory.

The importance ratings of the 50 tasks by a reduced sample of 459 fully qualified, actively engaged planners were statistically analyzed, using a principal components factor analysis with orthogonal rotation to simple structure. The results produced an eleven-factor job structure which appeared to represent all of the important components of the financial planner's job. The factors were named:

FACTOR	NAME
I	Markets Financial Planning Services
II	Interviews Clients
III	Explains Issues and Concepts
IV	Analyzes Client Circumstances
V	Develops Comprehensive Financial Plans
VI	Implements Financial Products
VII	Monitors Financial Plans
VIII	Monitors Financial Products
IX	Complies with Requirements
X	Manages a Planning Practice
XI	Consults with Other Professionals

COMPARISON OF COMPONENTS BY GROUP

The average importance ratings of the tasks grouped by factor were compared to determine if each factor was judged to be an essential core component of the financial planner's job. All comparisons by gender, ethnicity, education, place of employment, length of experience, CFP credential held, and sampling subgroups indicated that the 11 factors were each rated by every subgroup, on average and without exception, as "very important" job components for financial planners.

ANALYSIS OF KNOWLEDGE AREAS

All but one of the 99 topics of knowledge listed in the inventory were considered to be important for new planners to know. They need to know each, at least, at the basic cognitive level of recognizing or remembering specific facts or terminology. (The lone exception was Foreign taxation which was rated, on average, as "of little importance.") There was full agreement between CFP holders and the other planners on the relative importance of these topics. Each topic was described, for examination construction purposes, at the cognitive level of knowledge needed or used by new planners. Both statistical procedures and the expert judgment of Advisory Committee members were used to identify the links between each topic and one or more job components, providing further evidence of the job-relatedness of the CFP examination content.

SUMMARY

1. Members of the IAFP Registry, the National Association of Personal Financial Advisors, graduates of the College for Financial Planning, and holders of the Chartered Financial Consultant certificate of the American College participated in a job analysis survey. An Inventory of the Professional Responsibilities and Knowledge Requirements of Financial Planners was developed and reviewed by two expert Advisory Committees and subsequently mailed to 1,815 planners. The inventory lists 51 job task statements, 99 topics of knowledge and 15 items of background information. Thirty-four percent (621) of the planners responded to the request for information.

2. Eleven components of the qualified financial planner's job were identified and found to represent very important core functions, regardless of gender, ethnicity, education, place of employment, experience, or group membership.

Nine of these job functions were judged to be critical to the protection of the public interest; the two exceptions were Factor I, Markets Financial Planning Services, and Factor X, Manages a Planning Practice.

3. Ninety-eight of the 99 listed topics of knowledge were considered to be important for new planners to know at specified levels of cognitive complexity.

4. Statistical and judgmental procedures were used to establish and confirm the linkage of each topic to one or more job components. Specifications for a core curriculum and for future CFP examinations were described, and a number of issues related to the assessment and certification of qualified financial planners were explored. Recommendations also were made for future examinations.

5. The cumulative evidence of this study, including a description of the financial planner's job, the identification of the important topics of knowledge needed by new planners and the linking of these topics to the job components, provided compelling documentary evidence of the job-relatedness of the content domain of the CFP examinations for designating qualification of competence of Certified Financial Planners.

I. INTRODUCTION

PURPOSE OF THE STUDY

The major purpose of this study was to conduct a job analysis study of the professional requirements of Certified Financial Planners (CFPs) to identify the topics of knowledge that need to be mastered by new practitioners to be certified as qualified. The goals of the research study were to describe the important job functions of financial planners, identify the knowledge needed by new CFPs, describe the links between the topics of knowledge and the job functions, and also provide further information for use in documenting the validity of the CFP examinations. This section of the report provides information on the development of examinations for licensing or certification in general, and for the development of the CFP examinations in particular. Additional sections describe the procedures followed in this research study, the results obtained from a job analysis survey of the planner's job, and the links established between the knowledge requirements of the job and the job functions. The final section outlines the content specifications for future CFP examinations, itemizes the content of a core curriculum for training financial planners, and offers recommendations for future certification requirements and assessment procedures.

A brief historical review to establish the basis of examinations for licensing or certification begins this report.

THE BASIS OF EXAMINATIONS FOR LICENSING OR CERTIFICATION

The assessment and credentialing of professionals by examination to allow them to use a job title and pursue an occupation has a very long history. The earliest system of occupational examinations as they are commonly known began about the year 2200 B.C., when the Emperor of China tested his civil service officials and either promoted or dismissed them from public service. Available records show that by 1115 B.C., job sample tests were being used in ancient China to measure the knowledge and skill of public officials in music, archery, horsemanship, writing, and reading (DuBois, 1966). Later, in Europe, the craft guilds offered training and experience to artisans, which resulted in developing and assessing practitioners while maintaining occupational control. Although achievement was based upon job-related skills, the credentialing systems were neither systematic nor thorough. In those days, administrative posts were largely assigned to those who were well born or "well-connected" to people in higher positions.

In the nineteenth century, new ideas about individual merit and efficiency gained recognition over the more traditional values. The concept "qualified" evolved from earlier notions of royal prerogative, patronage (bribery and/or influence), and religious affiliation to the modern belief that ability and character are what count. Nowadays it is widely believed that educational and occupational opportunity should be provided to those who are most able to practice an occupation or profession which will be of benefit to society. The evaluation of competence by formal examination of job-related abilities gained a foothold in England, for example, during the 1850s. The universities in Oxford and Cambridge at that time abolished the religious requirements for entrance, while the Home and Indian Civil Service, the Royal Military Academy, and London University installed their own competitive examinations to select the best qualified candidates for the limited number of opportunities.

Occupational licensing arose in the United States prior to 1800, with the enactment of state laws controlling who would practice in the professions of law and medicine. According to Gerstle and Jacobs (1976), a period of deregulation occurred in the 1800s, but by 1820 "the bar associations and medical societies began promoting a relationship between competence and licensing...." Other professions and occupations followed suit, creating credentialing systems that would inform the public about practitioners who were at least minimally qualified to serve the public (Gross, 1978; Fallows, 1985; Shimberg, 1985). Mark Twain, in Life on the Mississippi (1874), eloquently describes the Mississippi riverboat pilot's credentialing association as "the compactest, the completest, and the strongest commercial organization ever formed among men...and yet the days of its glory were numbered. First, the new railroad...began to divert the passenger travel from the steamboats; next the war came and almost entirely annihilated the steamboating industry during several years, leaving most of the pilots idle and the cost of living advancing all the time; then the treasurer of the St. Louis Association put his hand into the till and walked off with every dollar of the ample fund; and finally, the railroads intruding everywhere, there was little for steamers to do, when the war was over, but carry freight; so straightway some genius from the Atlantic coast introduced the plan of towing a dozen steamer cargoes down to New Orleans at the tail of a vulgar little tug-boat, and behold, in the twinkling of an eye, as it were, the association and the noble science of piloting were things of the dead and pathetic past!"

Two different systems of credentialing for licensing and certification have emerged in the United States, although their differences are not always apparent. The licensing system is based upon the law and is supported by the police powers of the state. Licensure, as defined by the U.S. Department of Health and Human Services, is "the process by which a government agency grants permission to an individual to engage in a given occupation upon finding that the applicant has attained the minimal degree of competency necessary to ensure that the public health, safety, and welfare will be reasonably protected" (Select Committee on Aging, 1985). Since state law establishing a licensed occupation usually sets forth the "scope of practice" covered by the act, licensing laws often are referred to as "practice acts."

Certification programs, often called title control mechanisms, usually are organized as voluntary systems for designation of practitioners who are denoted as "qualified." Qualification usually means that the holder has satisfied education, training, experience, and examination requirements and has the permission of the authorizing organization to call himself or herself by the designated title. Some confusion exists between licensing and certification. Certified public accountants are, in fact, licensed to use the designation CPA.

Qualified insurance agents call themselves Chartered Life Underwriters (CLUs) rather than the more accurate designation "Certified Life Underwriter." There are over 800 occupations in the United States which are regulated by license or certification procedures, but, in 1985, only 20 occupations were licensed by all states (Select Committee on Aging, 1985). These were:

Accountant
Architect
Attorney
Barber
Chiropractor
Cosmetologist
Dental Hygienist
Dentist
Insurance Agent
Licensed Practical Nurse
Optometrist
Osteopath
Pharmacist
Physical Therapist
Physician/Surgeon
Podiatrist
Primary School Teacher
Real Estate Agent
Registered Nurse
Secondary School Teacher

In certain states, lightning rod installers, soil checkers, horse shoers, beauticians, and plumbers need to be licensed, along with those in the above occupations. Golf professionals, auto mechanics, and travel agents typically are credentialed, and some newer occupations (e.g., recreation therapists) are actively exploring procedures for certifying qualified practitioners. Licensure boards also are responsible for reviewing complaints against license holders and for disciplining license holders who are not meeting required state standards of performance. Some licensing and certification procedures have been criticized because of their tendency to unduly restrict entry into the profession, limit the mobility of members to state borders, engage in anticompetitive activities, and fail to protect the interests of the public (Fallows, op cit). Many examples can be found for all of the allegations. Most licensing and certification boards appear, however, to be served by conscientious members, who, over the years, have been evolving procedures for their accountability to the public.

Entry to an occupation or profession requiring a license or certificate often is restricted by requirements for minimum age, education and training, work experience, and examination performance to demonstrate that the candidate is at least minimally competent to practice and use the title of a qualified practitioner. The purpose of the examination and the other requirements is to determine whether a candidate has at least the minimum knowledge, skill, and ability to practice at the entry level (e.g., to practice without supervision, "flying solo," without placing the public at risk).

It is critical that such examinations directly reflect what a newly certified practitioner needs to know, to be able to do what the job requires. Exams must, therefore, be job related. The best method for ensuring job-relatedness is through a job analysis, preferably using a multi-method approach. Published job descriptions should be reviewed, the literature searched, and information gathered from qualified practitioners by interview, on-the-job observation, and solicitation of comments from qualified, experienced incumbents, to name some methods.

A job analysis inventory subsequently may be developed and administered to a broad sample of practitioners to identify the important components of the job, the minimum level of competence required of a new practitioner, the topics of knowledge that need to be known, and the cognitive level of competence required. Each topic (and its exam items) must be linked to at least one job component to ensure that the licensing or certification examination is job related and that the knowledge, skills, and abilities being assessed are tied specifically to components of the job. Professionally developed examinations are constructed from an exam specification which, if based upon job analysis findings, details how and what to assess among the job-related knowledge, skills, and abilities. Such is the prescription for a job analysis study of the professional requirements of Certified Financial Planners.

A few academicians have suggested that licensing and certification examinations should be school-based measures, reflecting the judgments of the faculty who develop the syllabuses and operate the programs of study designed to prepare candidates for occupational or professional practice. If the syllabuses fully reflect the requirements of the job, and no more, then the suggestion is reasonable. However, school examinations and syllabuses in academic programs often differ from the job requirements. Key topics may be ignored. Other topics that are not job related may be included. Licensing and certification exams, unlike school examinations, must reflect the requirements of the job. In addition, owing to both legal and professional requirements, the job-relatedness of the examination specification and the examination itself must be documented to meet any legal challenge that should arise. The documentation process will describe the results of the job analysis, and the origins of the exam specifications, and include the basis for the claim for job-relatedness, particularly the linkage between the job dimensions and the knowledge requirements of the examination.

The critical point is that the basis of award of a license or a professional certification must be reliable, valid, and efficient in determining which candidates should be allowed to use a particular title and practice a particular profession because the authorizing organization or agency has properly considered the necessity of service and protection required for the public.

Individual candidates having dissimilar combinations of aptitude, experience, interest, ability, and classroom achievements obtained from different academic programs in different settings may travel a variety of routes in the journey to professional competence. The essential common characteristic of all newly certified practitioners is that every person who obtains the credential has satisfied the requirements and demonstrated, through successful examination performance, at least minimum competence to perform the job, regardless of how, when, where, or even why that competence was developed. The most reliable, valid, and efficient method available for assessing and verifying that any candidate is at least minimally qualified is through the administration of job-related questions and problems under prescribed, standardized conditions. The questions and problems should be designed to elicit responses that demonstrate that the examinee has sufficient knowledge, skill, or ability to use the title and practice the occupation for which the exercise—the examination— was conducted. How else would the public discern competence from incompetence? How else should the public be served by qualified practitioners and be protected from the unqualified? Such is the basis for examinations for certification or licensing and the context in which to review the origins of the designation of Certified Financial Planner.

THE ORIGIN OF THE CFP EXAMINATIONS

The College for Financial Planning, founded in 1972, established three significant components of the financial planning profession:

A. The first curriculum for training individuals to be personal financial counselors,
B. The title of Certified Financial Planner (CFP) to distinguish those who have completed the training program, and
C. The credentialing examinations used to certify individuals who were qualified and eligible to call themselves Certified Financial Planners.

In October 1973, 40 CFP candidates completed the program and received their charter class diploma (Quint Tolen, 1987). The program subsequently expanded into a six-subject content and examination program. Since 1987, the exams have been administered under the aegis of the IBCFP.

The study program and the examinations were developed and revised over the years in collaboration with the advice of experienced financial planners and educators, and the exams were recognized as content valid measures of the study program. With the advent of the IBCFP, which changed the function of the examinations from a learning program achievement measure to a test of competence for certification as a CFP, job analysis study and documentation of job-relatedness was desired. Ample evidence of the content validity of the examinations for the College's study program was available, but further supporting information was required. The additional evidence was needed to demonstrate the relationship between the job functions of practicing financial planners and the minimum knowledge requirements for their initial certification. The evidence would provide a sound basis for determining the relevant content of the future certification examinations. It also would represent an essential chapter in the documentation of the continuing process of validation of the professionally developed CFP examination program.

LEGAL IMPERATIVES FOR A JOB ANALYSIS

The obligation to follow a legal pathway and conduct a job analysis to define the content domain of the CFP examination arises from several legal origins. The Fifth and Fourteenth amendments to the U.S. Constitution provide that no person shall be deprived of life, liberty, or property without due process of law. It may be argued that adverse examination results which, for whatever reason, deny a candidate the opportunity to practice a profession as, say, a Certified Financial Planner, can be construed as a denial of due process. Title VII of the Civil Rights Act of 1964 states that it is not unlawful to use a professionally developed ability test provided it is not used to discriminate because of protected class membership such as race, religion, sex, or national origin. An unsuccessful candidate, if a member of the protected classes, could file a complaint under Title VII.

Agencies of the federal government have issued Uniform Guidelines on Employee Selection Procedures (EEOC, et al, 1978, 1979, 1980) which state that "these guidelines apply to tests and other selection procedures which are used as a basis for any employment decision. Employment decisions include but are not limited to hiring, promotion, demotion, membership (for example, in a labor organization), referral, retention, and licensing and certification, to the extent that licensing and certification *may* be covered by Federal Equal Employment Opportunity Law" (italics added). Whether the CFP examinations are covered by Federal equal employment law or subject to constitutional requirements is problematic, but the current practice among professional examiners is to develop all tests and examinations with full regard for the requirements specified in the Guidelines. At least one state, California, has included the Federal Title VII standards in its regulations governing examinations (Werner, 1980).

The courts have spoken in a number of significant cases in which the job-relatedness of an examination has been emphatically required. The Supreme Court, in Griggs vs Duke Power (1971), concluded, "Congress has placed on the employer the burden of showing that any given requirement must have a manifest relation to the employment in question." The Vulcan Society of New York Firefighters sued the city Civil Service Commission (1973), and the Court stated that "an examination has content validity if the content of the examination matches the content of the job...." Other related cases include Kirkland vs New

York State (1975) and the United States vs the State of New York, et al (1979) in which the Court concluded that the knowledge, skills, and abilities tested by the examination should coincide with the knowledge, skills, and abilities required to successfully perform the job. The Court decided, furthermore, that the level of difficulty or complexity of the examination should match the level of difficulty or complexity of the job.

The law on professional licensing and certification has been summarized by Reaves (1984, 1985, 1986), and the legal context of these statutes and their requirement for examinations have been reviewed by Herbsleb, Sales, and Overcast (1985). Obviously, any licensing examination, to be consistent with due process requirements for specificity, rationality, and fairness, must be based upon standards which are clear and intelligible, and reasonably related to the professional practice of financial planning and to the ultimate goal of serving and protecting the public. Although the CFP designation, at the date of this writing, is a certification and not a license credential, the situation is likely to change in the future, at which time the Guidelines could be controlling. In addition to the legal requirements, there are professional considerations which also call for a job analysis for the CFP examinations.

PROFESSIONAL IMPERATIVES FOR A JOB ANALYSIS

Professional standards for the technical quality of examinations, tests and measures have been published by the American Educational Research Association, the American Psychological Association, and the National Council on Measurement in Education (1985). These standards include specific requirements for professional and occupational licensure and certification. Standard 11.1 states, "The content domain to be covered by a licensure or certification test should be clearly defined and explained in terms of the importance of the content for competent performance in an occupation.... Job Analyses provided the primary basis for defining the content domain" (American Educational Research Association, et al, 1985).

The Society for Industrial and Organizational Psychology (1987) has published a set of principles for the validation and use of personnel selection procedures which includes certification procedures. The Committee on Professional Standards and the Committee on Psychological Tests and Assessment (1986) have issued guidelines for the use of computer-based tests and interpretations. Other authors have issued guidelines for criterion-referenced measures in general (Hambleton & Eignor, 1979), or for the CFP examinations in particular (Skurnik, 1987). One common theme in these publications is the recommendation that fact-finding procedures such as a job analysis be followed to ensure the job-relatedness and content validity of the examinations.

RESEARCH OBJECTIVES

The objectives of this research study were to (1) describe the important job functions of financial planners, (2) identify the important topics of knowledge required of newly certified CFPs, (3) determine the links between the topics of knowledge and the job functions, and (4) provide further information for use in documenting the validity of the CFP examinations. The research was aimed at learning what knowledge and skill financial planners need to serve clients properly and protect the public interest.

The following procedures were carried out to collect the information necessary to achieve the aims listed above:

1. The relevant literature was searched to identify and abstract reports of the work activities of financial planners,
2. Job analysis interviews were held with experienced planners to learn first-hand about their job activities and the knowledge they need to be competent,
3. Meetings were convened with advisory committees of experts, some of whom were practicing planners and others who were College for Financial Planning academicians, to help plan, develop, and interpret the research findings,
4. An inventory of job activities and topics of knowledge was prepared, a survey was made of financial planners, and
5. Responses were analyzed and reviewed with advisory committee members to meet the goals of the study.

The procedures followed and the detailed results obtained in this research study are described in the following sections. Part II of this report describes how the inventory was developed. The next part explains how the data were collected, describes the structure of the financial planner's job, the knowledge requirements and their link to specific job components. Section IV of the report discusses the meaning of the results and explores a number of issues that pertain to the assessment and certification of financial planners.

Section II, beginning on the next page, describes the detailed steps taken to identify the professional requirements of financial planners through the use of a variety of job analysis techniques.

II. RESEARCH PROCEDURES

DEVELOPMENT OF THE INVENTORY

The job analysis inventory was developed through the use of three related strategies: reviewing the literature, interviewing practicing planners, and soliciting and obtaining the advice and counsel of advisory committee members, including job and technical experts.

Literature Review: The author undertook a computer search of key words and identified and reviewed a variety of journals and books. Information was sought about the activities of professionals who work as personal financial counselors. Among the materials examined were published and unpublished reports and articles about the financial planning process, the job analysis process, economics and psychology, investor characteristics, psychology of investors, and other facets of financial services planning, counseling, and guidance.

Some of the books reviewed described the process and practice of financial planning and illustrated the tasks performed by planners (Randle & Swensen, 1981; Dunton, 1983; Rich, 1984; Shane, 1984; Hallman & Rosenbloom, 1985; Dunton, 1986). Two published reports of surveys of planners were located. The first described the characteristics of members of the International Association of Financial Planners which include a majority of non-planners among its members and among the survey respondents (Ferguson, 1984). The second survey described some of the characteristics, professional practices and concerns of members of the Institute of Certified Financial Planners, all of whom hold the CFP designation (Hira, Van Auken & Norris, 1986). Both surveys provided additional insight into the work performed by planners.

The broad search turned up a number of historical items which showed that the promotion of financial planning for economic security and independence was not new but had been used by insurance salesmen some years ago (Strong, 1938). Review of a substantial body of literature about clients, largely reported under headings about psychological attributes of investors and stockholders, revealed important knowledge about the job requirements of planners. This line of inquiry was taken to learn the extent to which planners needed to understand the knowledge, attitudes, and behavior of their clients (Munsterberg, 1914; Dickinson, 1922; Chapin, 1929; Wendt, 1940; Likert, 1949; Katona, 1951; Rose, 1951; Kimmel, 1952; Justet, 1954; Editors, 1955; Livingston, 1958; Bergler, 1959; Clendenin, 1959; New York Stock Exchange, 1960; Skurnik, 1960; Clarkson, 1961; Skurnik, 1962; Simon & Stedry, 1969; Dreman, 1977, 1979, 1980; Blotnick, 1979; Lindgren, 1980; Smith, 1981; Pines, 1983; Barnwall, 1986; Schaninger & Buss, 1986; Sherfrin & Statman, 1986; Solomon, 1986; Reed, 1986).

The search for specific job descriptions (Morsh, 1962) led back to the beginning of this century when F. W. Taylor, in his book The Principles of Scientific Management (1911), focused interest on the use of scientific methods for job analysis in which "each job should be carefully subdivided into its elementary operations" (p.7). Franklin Bobbitt, in his book on curriculum development (1918), proposed that real-life activities should be analyzed to articulate what people refer to today as behavioral objectives. The technique of job analysis subsequently grew and developed from random notes, to complete essays of common elements, to narrative descriptions and checklists of items to, finally, a list of distinct duties arranged in sequence and in order of importance (Uhrbrock, 1922).

The writer was able to use information in these reports to begin to understand and appreciate the professional functions and job requirements of financial planners. Unfortunately, none of the material that was located represented a detailed analysis of the planner's job, nor did any list the essential topics of knowledge needed by newly certified planners or provide a clear statement of linkage between the job elements and the requisite knowledge. First-hand information needed to be obtained from qualified professionals who were actively engaged with clients in the financial planning process.

Interviews of Planners: The author conducted job analysis interviews with 24 experienced planners and supervisors residing in 11 states, to collect direct testimony about the tasks performed by planners and the knowledge necessary to perform the job. Half of the interviews took place in each planner's office and half were held in Denver in June, 1986 during the annual National Conference of the College. The author used a guided-interview questionnaire to ensure thoroughness of the enquiry and to provide a record of the remarks obtained. In addition to questions about current position and personal characteristics, the interviewer asked for a description of the important duties performed by the planner. Questions also were raised about the knowledge, abilities, and skills new planners needed to be minimally competent. The writer inquired about the major problems to be solved, the sources of information used to solve them, the reports written, the materials used, the time it took a new planner to reach satisfactory proficiency, and other related comments which would reveal the professional requirements of planners. A copy of the interview questionnaire is contained in Appendix A.

The results of the interviews were summarized into specific task statements and topics of knowledge. These statements were supplemented by information gleaned from the literature review to provide comprehensive coverage of the job and the knowledge requirements. Demographic questions were written to enable respondents to describe some of their personal characteristics. A list of 46 tasks, 85 topics of knowledge, and 11 background variables subsequently were assembled into a draft inventory of the professional responsibilities and knowledge requirements of financial planners (Appendix B). This draft was put forward for review by the members of the Internal and External Advisory Committees.

ADVISORY COMMITTEES

Two types of expert advisory committees were organized to participate in various aspects of this research study. An Internal Committee, composed of College for Financial Planning Academic Department staff, was convened to review the research design, the inventory, the plan for the data analysis, and the draft report of the results.

The Job Analysis Advisory Committee, the second advisory group, was composed of 12 professionals named in the Acknowledgement section of the report, who were expert in the content and practice of financial planning. The committee members, on average, have been employed over 16 years in a professional capacity in the financial services industry. They all have taught financial planning courses, typically earned a postgraduate degree, and hold at least one additional professional designation. Self-ratings of expertise revealed that all of the committee members, with one exception, were highly qualified experts in two or more content areas (Table 1).

TABLE 1

SELF-RATINGS OF EXPERTISE (N = 12)

Content Area	Seasoned Specialist	Highly Qualified Expert	Generalist/ Other
1. General Financial Planning	1	7	4
2. Risk Management	3	1	8
3. Investment Planning	4	2	6
4. Tax Planning	6	1	5
5. Retirement Planning	6	1	5
6. Estate Planning	3	3	6

The initial responsibility of the Job Analysis Advisory Committee was to review the research design and examine and critique three things: the task list, the topics of knowledge list, and the inventory as a whole. The committee also was to scrutinize the plan for the data analysis, and, at a later date, they were to review the results of the job analysis survey and help to interpret the findings.

THE JOB ANALYSIS INVENTORY

Draft Inventory: The contents of the draft inventory were arranged in three sections. The first section contained a list of 46 task statements arranged under five headings:

I. Evaluating client needs (8 tasks)
II. Explaining financial concepts and clarifying client goals (10 tasks)
III. Analyzing information and preparing comprehensive financial plans (10 tasks)
IV. Implementing and monitoring comprehensive financial plans (11 tasks)
V. Establishing and maintaining accurate records and performing other professional functions (7 tasks)

The second section contained a list of 85 topics of knowledge divided under the following areas:

I. General Financial Planning (14 topics)
II. Risk Management (15 topics)
III. Investment Planning (16 topics)
IV. Tax Planning (14 topics)
V. Retirement Planning (12 topics)
VI. Estate Planning (14 topics)

The third section contained 11 background information questions (gender, ethnicity, credentials held, years as a planner, etc.) that were included to provide information about the respondents. Some of the demographic information represented variables in the data analysis that would be critical to the determination of the generality of the planner's job. A copy of the draft inventory is contained in Appendix B.

The Advisory Committee of College staff and the external Job Analysis Advisory Committee reviewed the draft inventory. The latter group attended a meeting in Denver on December 13, 1986, where they were given an overview of the research plan. They examined and critiqued the full inventory, item by item, to ensure, as near as possible, that the ensuing job analysis survey would include all of the relevant job tasks, topics of knowledge, and the important background variables. One member of the committee was unable to attend the first meeting but was subsequently briefed on the committee discussions and decisions and, in the course of a conversation on the telephone, made several suggestions that were adopted for the wording of the inventory.

Revised Inventory: A revised inventory was developed for field testing as an outcome of the committee member recommendations. The revised inventory remained as a three-part survey form, but some changes were made within each part. The first section on responsibilities was expanded to 51 task statements; some tasks were reworded to clarify the essence of the task, and the headings were changed, notably by separating the tasks for Marketing Financial Planning Services from those concerned with Evaluating Client Needs.

The second section of the inventory on knowledge areas was expanded by the addition of several topics that were suggested by the members as possible topics for inclusion in future courses of study and in CFP examinations. The items listed under Investment Planning were expanded by three topics, Tax Planning by four topics, Retirement Planning by three topics, and Estate Planning by five topics. Two topics in Risk Management were combined, resulting in a revised inventory list of 99 topics of knowledge, compared with 85 in the draft version.

The third section on background information was expanded to 15 variables to obtain self-ratings of planning expertise, amount of education, professional affiliations, and level of responsibility in the preparation of financial plans. Space was provided on the last page of the inventory to enable respondents to list important additional tasks as well as important additional knowledge areas not included in the inventory.

The Job Analysis Advisory Committee worked meticulously to ensure that the wording of the instructions were clear, particularly as they referred to the new planner. Consequently, the new planner was defined as "one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision."

Rating Scales: Rating scales were designed for use in the first two sections of the inventory to evaluate the tasks and topics of knowledge. Scales such as these were used in previous studies to obtain judgments from respondents about the items listed in a job analysis survey instrument (King, Langer & Skurnik, 1960; Skurnik, 1983, 1985; Thompson & Skurnik, 1984; Rosenfeld, Thornton & Skurnik, 1986). The rating scales were designed to elicit information to be used to refine the job descriptions and evaluate the topics of knowledge in the process of determining and documenting the professional requirements of financial planners.

Ratings of Tasks: Two rating scales were designed to obtain information about the tasks that planners perform and to spotlight the dimensions of the job that are most appropriately assessed for certification. The first rating scale of Importance (below) invites the respondent to assess the importance of each task, which provides a basis for describing what planners actually do on the job. These ratings also can be used to identify and remove tasks which are relatively unimportant, leaving a remainder of responsibilities that represent the critical elements for description of the job.

IMPORTANCE FOR YOU: Regardless of the amount of time you spend doing it, how important is this activity in performing your job?

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

The second scale asks the respondent to rate the extent to which it is necessary for a new planner to be able to perform each task at the time of initial certification. The purpose of the Skill of New Planners scale (below) is to find out whether a new planner, working without supervision, needs to be at least minimally competent in each task at the time of initial certification, if at all, since competence in performance of some tasks is acquired with experience on the job. These ratings can be used to remove from further consideration, in the examination and certification process, those job activities which are considered least essential or not essential at the time of initial certification.

SKILL OF NEW PLANNERS*: How essential is it that a newly qualified financial planner be able to perform this task at the time of initial certification?

(0) Not performed by newly qualified planners
(1) Competence not essential at the time of initial certification
(2) Some degree of competence is essential
(3) Substantial competence is necessary
(4) Full competence is essential

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*The new planner is one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision.

Ratings of Knowledge Areas: Two rating scales were used to obtain information about the topics of knowledge. The first scale of Importance (below) was designed to determine how important each topic is to the competent performance of a financial planner. These ratings provide the basis for determining the important content of a valid examination for planners as well as the content for a core curriculum. The ratings also can be used to spotlight and purge from a curriculum those topics which are unimportant and not necessary to competent performance. The ratings also were designed to be used to yield information that could link the topics to the job function for which they are important.

IMPORTANCE FOR YOU

How important is an understanding of this knowledge area to the competent performance of your job?

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

The second Level of Knowledge scale (below) was included to obtain information about how each topic is needed or used by newly qualified planners. The information is useful in identifying and removing topics which the new planner does not need to know. The ratings also provide an empirical basis for designing the core curriculum and for specifying the difficulty or cognitive complexity of the examination requirements. Future examinations also can be evaluated against these specifications to document the extent to which the examination items are no more difficult than the job requires.

The Level of Knowledge scale was based upon the Taxonomy of Educational Objectives (Bloom, 1956) and was adapted and illustrated to help the respondents understand each rating scale.

LEVEL OF KNOWLEDGE REQUIRED OF NEW PLANNERS*

At which of the following levels is this knowledge or skill needed or used by newly qualified planners?

(0) Not needed or used by newly qualified planners

(1) Facts/Terms: recognizes or remembers terminology, trends, and other specific facts (e.g., "Identify the meaning of a technical term")

(2) Comprehension/Application: grasps facts and concepts and applies them to solve problems, draw conclusions, and recognize consequences (e.g., "Calculate the payments due on a debt")

(3) Analysis/Synthesis: breaks down or puts together ideas and information to clarify relationships and produce conclusions and plans (e.g., "Analyze a given situation and draw conclusions")

(4) Evaluation: assesses the validity of information and issues conclusions and recommendations in terms of external evidence and internal criteria (e.g., "Evaluate circumstances and recommend a course of action")

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*The new planner is one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision.

Background Information: The 15 demographic variables in this section of the inventory were designed with graded response categories to facilitate the description of each person's background and professional activities. As mentioned earlier, space was provided on the last page of the questionnaire for respondents to list important tasks and important knowledge areas not covered in the inventory. A copy of the Inventory of the Professional Responsibilities and Knowledge Requirements of Financial Planners is included in Appendix C.

PILOT TEST OF THE INVENTORY

A pilot test of the inventory was conducted on academic staff members of the College for Financial Planning and financial planners practicing in Colorado. The aim of the pilot test was to find out whether the instructions for completing the inventory were clear, whether the tasks and topics of knowledge were clearly worded, and whether a busy professional could complete the inventory in a reasonable period of time. A few minor changes in wording subsequently were made, and it was found that respondents could complete the inventory in approximately one-half hour.

A cover letter to accompany the Inventory was pretested and a few minor words were changed on the basis of the tryout. (A copy of the letter also is contained in Appendix C.)

CONDUCTING THE SURVEY

The inventory was developed to collect information about the professional requirements of financial planners, the tasks they perform, and the knowledge they need to have to competently serve and protect the public. The author encountered some difficulties in designing an appropriate sample since the population of qualified financial planners is not well defined nor do professional planners belong to just one professional association from which a sample could be drawn. The steps taken to resolve this problem, which led to the selection of a judgment sample (Deming, 1960), are discussed below.

The author searched for membership lists of associations or affiliations which primarily would include qualified financial planners. The names of educational institutions that award degrees or designations specifically in financial planning also were sought. An up-to-date list of financial planning associations was found, which, among other things, provided the criteria for membership as well as the full name and address of each organization (Heffernan, 1986). In reviewing and evaluating each organization, with the advice and assistance of members of the Advisory Committees, the researcher concluded that the members of the following three organizations are most likely to be functioning as qualified planners:

1. Institute of Certified Financial Planners; Denver, Colorado
2. National Association of Personal Financial Advisors; Arlington Heights, Illinois
3. Registry of Financial Planning Practitioners; Atlanta, Georgia

Among the education institutions that have certified academic achievement specifically in financial planning, two dominate the profession: the College for Financial Planning in Denver, Colorado, which created the Certified Financial Planner (CFP) designation, and the American College in Bryn Mawr, Pennsylvania, which awards the Chartered Financial Consultant (ChFC) designation. Although other institutions offer programs in financial planning, their enrollments have been comparatively small and, at the time this study was conducted, just one, Adelphi University in Garden City, New York, offered a program of study which was approved by the IBCFP. An invitation was extended to the Dean of the

Adelphi program to support this research study, by granting permission to survey Adelphi graduates, but he declined.

A sampling plan was devised to survey 500 graduates of the College for Financial Planning and an equal number from the American College's ChFC program. The entire membership of the National Association of Personal Financial Advisors (NAPFA), an association of fee-only members, was to be surveyed as well as the full membership of the Registry. Since one must hold the CFP designation to join the Institute of Certified Financial Planners, the author decided not to sample their membership since it would duplicate the list of graduates of the College for Financial Planning.

A sampling procedure was adopted which aimed to avoid duplication of names chosen for the survey. The entire membership of the NAPFA was surveyed; the entire membership of the Registry was surveyed, excluding those already chosen from the NAPFA list. A sample of all CFP designation holders was drawn from a list of those who received their certification before 1984.

Arrangements were made with the American College through Stephan Leimberg, a member of their faculty and a member of the Job Analysis Advisory Committee, to mail an inventory to a random sample of holders of the ChFC. Since this list of names was not directly available to the researcher, a few respondents received a duplicate inventory.

A copy of the inventory, a cover letter, and a postage-paid return envelope were mailed during the month of January, 1987 to the planners chosen for survey. Some prior publicity had been given to the study to encourage participation in the survey by those who were selected (Quint Tolen, 1986). A presentation of the research plan was made to both the Board of Examiners and the Board of Directors of the IBCFP, and their endorsement was readily given to the study. A sample of 1,815 financial planners were sent a copy of the inventory, and the information in Table 2 provides a summary of the inventories distributed and returned.

TABLE 2

SUMMARY OF INVENTORIES DISTRIBUTED AND RETURNED

Source	Distributed		Returned		Overall Sample
	N	(%)	N	(%)	(%)
NAPFA	165	(9.0)	76	(46.1)	(12.2)
Registry	650	(35.8)	266	(40.9)	(42.8)
Col. for Fin. Planning	500	(27.5)	211	(42.2)	(33.9)
American College	500	(27.5)	69	(13.8)	(11.1)
TOTAL	1,815	(100)	621	(34.2)	(100)

III. RESULTS OF THE SURVEY

RETURN OF THE INVENTORIES

Processing of the surveys began just two days after they were dispatched as some planners completed and sent the inventory by return mail. The response rate for NAPFA (46%) and Registry (41%) members was high as was the return rate from graduates of the College for Financial Planning (42%). The graduates of the American College were comparatively unresponsive (13.8%), but that result was not unexpected. A job analysis study of licensed life, accident, and health insurance agents and brokers obtained only a 12.6% return rate in 1979 and, when repeated with major association endorsement in 1985, only obtained a 19.3% response (Shimberg & Rosenfeld, 1986). In light of this evidence, the 13.8% response rate of the American College graduates, who are insurance industry professionals, was not surprising. The overall return rate of the other planners was 42% which is judged to be very good for a single survey without a follow-up mailing. Some comparative statistics of return rates of comparable national surveys are given below for contrast.

National Survey Return Rates

Survey	Year	Return Rate (%)
Licensed Pharmacists	1977	33%
Licensed Psychologists (2-stage)	1982	32%
IAFP Members	1984	32%
ICFP Members (2-stage)	1985	22-31%

As soon as the inventories were received, they were reviewed for completeness, and quality control checks were made to ensure accuracy in coding of the demographic information. Of the total returned, 55 inventories were put aside because respondents had failed to complete the inventory or, in a few cases, the material was received in Denver too late for timely processing and data analysis. A total of 621 inventories (34.2%) were returned, and, of these, 566 (91.1%) were complete in all respects and usable for analysis.

REPRESENTATIVENESS OF THE SAMPLE

Sampling Errors: Although the rate of response to the survey was less than desired, some checks were made of the results to detect deficiencies and uncertainties about the information obtained. Two kinds of errors are possible; those which are common to a complete census of a population as well as a sample survey (called Type I and Type II errors by Deming, 1960), and those uncertainties which arise from sampling variation (Type III error). Type I errors are built-in deficiencies, independent of sample size, and occur when a study misses the target by, for example, not asking the right questions. In this study, the remarks made by the interviewees, the members of the advisory committees, and by the wide audience of readers who reviewed this report in draft form, suggest that Type I errors were at an absolute minimum.

Type II errors arise from imperfect workmanship and are measurable, for example, by recomputation of the statistics to reveal errors in calculation. Another check that can be made is to calculate the effects of nonrespondents if they had given extreme responses. Nonresponse was the main type of uncertainty in this survey; it ranks alongside the Type III uncertainty associated with sampling variations as the most problematic feature of survey research. Four approaches can be taken to combat nonresponse:

1. Vigorous attempts can be undertaken to elicit responses (which was not done in this study),
2. Calculation of the extreme effects of the nonrespondents,
3. Calculation of plausible effects of respondents and nonrespondents (which is reported in Appendix F, Table F-5), and
4. Report of the results and characteristics of the people surveyed and leave it to the user to "carry it on from there" (Deming, p.69).

Quality control checks were made at all phases of this study and the important parts of the analyses were recomputed to identify and eliminate any "blemishes and blunders." The evidence in Table F-5 is discussed in Section III on the Comparison of Job Structure Across Groups. Data are presented here to show how far the sample of respondents obtained is representative of the population of qualified financial planners.

Sample vs Population: This study is based upon the responses of a judgmental sample that was obtained by the procedures described earlier. Analysis of the credentials of the respondents revealed that 442 (78.1%) of the 566 cases processed hold the CFP designation. These respondents could be compared, on salient characteristics, with the full population of people who hold this designation. The records of the College for Financial Planning were searched, and population data were summarized on all those who obtained their CFP designation by 1984. Information was available on gender, place of residence, licenses and registrations held, and the number of years the CFP designation was held. These data were compared with the characteristics of the respondents holding the CFP designation, and the results are given below.

Table 3 shows the number and proportion of the CFP sample and the corresponding population who are male or female. The overall representation by gender is just 3.2% off the mark.

TABLE 3

CFP SAMPLE VS POPULATION BY GENDER

Gender	Sample		Population	
	N	(%)	N	(%)
Males	364	(83.7)	3,239	(86.9)
Females	71	(16.3)	487	(13.1)
(Omit)	(7)	(-)	(805)	(-)
Total	435	(100)	3,726	(100)

The comparison between the CFP sample and the population with regard to residence is not strictly comparable. The population records list state of residence, but the job analysis survey asked for the "area in which you mainly conduct your financial planning activities." The results of this comparison are given in Table 4 for the three states with the largest concentration of planners. The correlation between this sample and the population was .96 on the proportion in each state across all 50 states. On this evidence, the CFP sample is quite representative.

TABLE 4

CFP SAMPLE VS POPULATION BY LOCATION OF PRACTICE OR RESIDENCE

Location	Sample		Population	
	N	(%)	N	(%)
California	90	(20.5)	862	(19.0)
Florida	25	(5.7)	311	(6.9)
Texas	39	(8.9)	290	(6.4)
(Other)	(286)	(64.9)	(3,068)	(67.7)
Total	440	(100)	4,531	(100)

When comparing the two groups by the number of years in which the CFP designation was held at the time of the survey (Table 5), one notes that the CFP sample is slightly overweighted by planners with more than ten years of experience after receipt of the CFP designation. This possible bias in representation is not inimical to the objectives of the study since respondents with more experience are more likely to be better able to report what planners actually do and what they need to know to be competent. In this research study, in which the author hoped to discover all of the critical tasks and knowledge requirements, "...a biased selection may be preferable to a broader coverage by a probability sample" (Deming, p. 32).

TABLE 5

CFP SAMPLE VS POPULATION BY YEARS AS A CERTIFIED FINANCIAL PLANNER

	Sample		Population	
	N	(%)	N	(%)
Five years or less	159	(36.2)	1,669	(36.8)
Six to ten years	168	(38.2)	2,331	(51.4)
Over ten years	112	(25.5)	531	(11.7)
Total	439	(100)	4,531	(100)

The final comparison between CFP sample and population was on licenses and registrations held (Table 6). The evidence shows the same bias as seen in the previous comparison: the sample appears, by credentials, to be more highly qualified to rate the importance of tasks and topics than a more representative sample.

TABLE 6

SAMPLE VS POPULATION: LICENSES AND REGISTRATIONS HELD

	Sample		Population	
	N	(%)	N	(%)
NYSE	117	(26.5)	798	(17.6)
NASD	370	(83.7)	2,628	(58.0)
Life	356	(80.5)	2,686	(59.3)
Health	298	(67.4)	1,578	(34.8)
P & C	50	(11.3)	313	(6.9)
Real Estate	106	(24.0)	586	(12.9)
Other	---	---	(832)	---

Note: Totals exceed sample size owing to multiple responses.

The information on the representativeness of the CFP sample (three-quarters of all respondents) constitutes strong evidence to support the use of the survey evidence gathered in this study to compare the judgments of the Advisory Committee members against the ratings of practitioners surveyed. Further evidence on the effect of possible bias in sampling is given in Section III where the importance ratings of job factors are compared across extreme groups. At this juncture, the sample is adequately representative for the purpose of conducting further analyses. It may first be of interest to describe the full sample of respondents.

CHARACTERISTICS OF PLANNERS

Gender: The background characteristics of the respondents are given in the tables which follow. Table 7 presents the number and percent of respondents according to their gender. Eighty-five percent of the planners were male, 14% were female, and 1% did not mark this item in the inventory. The preponderance of male financial planners was a similar characteristic found in a survey of members of the Institute of Certified Financial Planners (ICFP) in which it was found that 78% of the respondents were male and 22% female (Hira, Van Auken & Norris, 1986). A survey of the members of the International Association for Financial Planning (IAFP), which includes people who have an interest in the topic but are not qualified as financial planners, reported that 85% of the members are male, the same proportion as was obtained in the job analysis survey. On this variable, the sample would appear to be representative.

TABLE 7
GENDER OF RESPONDENTS

	N	%
Female	77	(13.8)
Male	482	(85.2)
Omit	7	(1.0)
Total	566	(100.0)

Ethnic Background: The racial or ethnic background of the respondents is given in Table 8. Over 90% described themselves as non-Hispanic whites. There were no more than six planners among any one of the other ethnic groups and a total of just 20 minority planners. Thirteen respondents in the sample did not declare any group identity. Since the total number of nonwhite planners in the general population is not known, there is no way of determining whether the proportion of minority and majority respondents is representative. However, a job analysis survey of life insurance agents and brokers, a similar occupational group, obtained very similar results (93.1% white) (Shimberg & Rosenfeld, 1986). The sample would appear to be representative on this characteristic.

TABLE 8

ETHNIC BACKGROUND

	N	(%)
Black	1	(0.3)
White (Non-Hispanic)	533	(94.2)
Hispanic	3	(0.5)
Native American/Alaskan Native	6	(1.0)
Asian or Pacific Islander	6	(1.0)
Other	4	(0.7)
Omit	13	(2.3)
Total	566	(100.0)

Education: These respondents are well educated with 88% of them holding at least a bachelor's degree and almost half of them (44.6%) also holding a higher degree. The academic content of the College's CFP Program is judged by the American Council on Education to be of the upper-division baccalaureate level, but 6% of the respondents possess only a high school diploma as their highest academic credential (Table 9).

TABLE 9

EDUCATION: HIGHEST DEGREE HELD

	N	(%)
High School Diploma	36	(6.4)
Associate Degree	29	(5.1)
Bachelor's Degree	244	(43.1)
Master's Degree (MS, MA, MBA, MSFS, Other)	210	(37.1)
Doctorate (Ph.D., DBA, D.Ed., Other)	17	(3.0)
Juris Doctor	23	(4.1)
Other	2	(0.4)
Omit	5	(0.8)
Total	566	(100.0)

Employment: Table 10 reveals that two-thirds of the planners surveyed work in financial planning firms, and the members of the next largest group (12.7%) work for securities brokerages. Planners also are employed throughout the financial services industry.

Table 10

TYPE OF EMPLOYER/AFFILIATION

	N	(%)
Financial Planning Firm	381	(67.3)
Commercial Bank	6	(1.1)
Savings and Loan Institution	1	(0.2)
Securities Brokerage	72	(12.7)
Insurance Company	39	(6.9)
Educational Institution	2	(0.4)
Accounting Firm	13	(2.3)
Other	46	(8.1)
Omit	6	(1.1)
Total	566	(100.0)

Geographic Location of Work: The survey forms were sent to planners in all 50 states and the District of Columbia, and responses were received from all but five states (Nevada, New Mexico, North Dakota, South Dakota, and Wyoming).

The largest proportion of respondents (18.2%) practice in California, followed by those in Texas (7.8%). The number and proportion of planners in each state who returned a usable questionnaire are given in Table 11, which reveals that respondents represent a broad cross section of the nation.

TABLE 11

GEOGRAPHIC LOCATION OF PLANNING ACTIVITIES

	N	(%)		N	(%)
Alabama	4	(0.7)	Missouri	9	(1.6)
Alaska	3	(0.5)	Montana	1	(0.2)
Arizona	13	(2.3)	Nebraska	3	(0.5)
Arkansas	3	(0.5)	New Hampshire	3	(0.5)
California	103	(18.2)	New Jersey	29	(5.1)
Colorado	15	(2.7)	New York	19	(3.4)

GEOGRAPHIC LOCATION OF PLANNING ACTIVITIES, (cont'd)

	N	(%)		N	(%)
Connecticut	7	(1.2)	North Carolina	8	(1.4)
Delaware	6	(1.1)	Ohio	17	(3.0)
Florida	30	(5.3)	Oklahoma	4	(0.7)
Georgia	16	(2.8)	Oregon	12	(2.1)
Hawaii	3	(0.5)	Pennsylvania	25	(4.4)
Idaho	1	(0.2)	Rhode Island	1	(0.2)
Illinois	21	(3.7)	South Carolina	4	(0.7)
Indiana	12	(2.1)	Tennessee	6	(1.1)
Iowa	4	(0.7)	Texas	44	(7.8)
Kansas	6	(1.1)	Utah	4	(0.7)
Kentucky	2	(0.4)	Vermont	1	(0.2)
Louisiana	4	(0.7)	Virginia	17	(3.0)
Maine	1	(0.2)	Washington	13	(2.3)
Maryland	12	(2.1)	West Virginia	2	(0.4)
Massachusetts	19	(3.4)	Wisconsin	11	(1.9)
Michigan	17	(3.0)	Other	12	(2.1)
Minnesota	14	(2.5)	Omit	4	(0.7)
Mississippi	1	(0.2)			
TOTAL				566	(100.0)

Designations Held: As shown in Table 12, a large majority of the respondents (78.1%) are Certified Financial Planners. The next two designations widely held are Chartered Life Underwriter (CLU) (29.7%) and Chartered Financial Consultant (ChFC) (25.8%). It may be noted that 146 respondents are ChFCs although only 69 inventories were returned by the American College sample. It also is noteworthy that the typical respondent holds more than one of the designations listed.

TABLE 12

DESIGNATIONS HELD

	N	(%)
CEBS	3	(0.5)
CFA	5	(0.9)
CFP	442	(78.1)
ChFC	146	(25.8)
CLU	168	(29.7)
CMI	1	(0.2)
CPA	43	(7.6)
CPCU	2	(0.4)
EA	23	(4.1)
RHU	10	(1.8)

Totals exceed sample size owing to multiple responses.

Licenses and Registrations: In addition to the designations mentioned, these planners hold, on average, three or more licenses and registrations (Table 13). The most popular are the National Association of Security Dealers (82.5%) and a license to sell life insurance (81.1%).

TABLE 13

LICENSES/REGISTRATIONS HELD

	N	(%)
NYSE	137	(24.2)
NASD	467	(82.5)
Life	459	(81.1)
Health	398	(70.3)
P & C	77	(13.6)
Real Estate	120	(21.2)
Registered Investment Advisor	385	(68.0)

Totals exceed sample size owing to multiple responses.

Professional Affiliations: Financial planners typically belong to two or three professional associations (Table 14). The IAFP claims the largest proportion of members (77.9%) among these respondents, and the ICFP the next largest with 62.0%.

TABLE 14

PROFESSIONAL AFFILIATIONS

	N	(%)
AICPA	40	(7.1)
AS/CLU, ChFC	141	(24.9)
IAFP	441	(77.9)
IAFP Registry	284	(50.2)
ICFP	351	(62.0)
NAPFA	81	(14.3)
Other Related	71	(12.5)

Totals exceed sample size owing to multiple responses.

Income: Questions were raised in this survey about the level of income received by financial planners and the source from which it is derived. In general, planners obtain most of their income from commissions and the balance largely from fees, but there were very large differences among individuals (Table 15).

TABLE 15

40% OR MORE OF INCOME DERIVED FROM SOURCE

	N	(%)
Fees	119	(21.0)
Retainer	6	(1.0)
Salary	56	(9.9)
Commission	362	(64.0)
Bonus	--	--
Investment	17	(3.0)
Other	6	(1.0)
Total	566	(100.0)

The median level of gross compensation of this group of planners was just over $100,000, and the top quarter received over $150,000. The reader is reminded that the question addressed the level of gross and not net compensation (Table 16).

TABLE 16

LEVEL OF GROSS COMPENSATION

	N	(%)
Less than $25,000	27	(4.8)
$25,000-$50,000	65	(11.5)
$50,001-$75,000	90	(15.9)
$75,001-$100,000	88	(15.5)
$100,001-$150,000	137	(24.2)
$150,001-$200,000	61	(10.8)
$200,001-$300,000	45	(8.0)
Over $300,000	43	(7.6)
Omit	10	(1.8)
Total	566	(100.0)

Expertise: The participants in this survey were asked to rank their expertise in each of the five core content areas of financial planning. The results are given in Table 17. The majority of these planners (51.8%) consider investment planning to be their primary area of expertise, but a number of respondents rated more than one area in which they claimed to be "most expert." Although many of these planners are qualified to sell insurance, risk management was rated as the area in which the respondents were least expert.

TABLE 17

EXPERTISE

	N	(%)
Estate Planning	99	(17.5)
Investment Planning	293	(51.8)
Retirement Planning	106	(18.7)
Risk Management	64	(11.3)
Tax Planning	134	(23.7)

Totals exceed sample size owing to multiple responses.

Engagement in Financial Planning: Four items in the inventory were included to help to identify respondents who were not fully qualified or engaged in professional financial planning. These items enabled the author to remove these respondents from the sample. One item inquired about the number of years the respondent had been a qualified financial planner, and 97% reportedly had at least two years of experience. The median period of service was six to ten years (Table 18).

TABLE 18

YEARS AS A QUALIFIED PLANNER

	N	(%)
Not Yet Qualified or Certified	2	(0.4)
Less than 2 Years	13	(2.3)
2-5 Years	179	(31.6)
6-10 Years	214	(37.8)
11-15 Years	93	(16.4)
16 or More Years	63	(11.1)
Omit	2	(0.4)
Total	566	(100.0)

Time Spent Planning: It is well known that people employed in the financial services industry often engage in a variety of related activities such as selling insurance, providing accounting services, serving as stock brokers, and so on. To ensure that the job analysis would reflect the judgment of active planning professionals, the respondents were invited to indicate the proportion of time they spent doing financial planning. Eighty-seven percent devoted at least one quarter or more of their work time to personal financial planning, and two-thirds (68.8%) spent most of their time in this activity (Table 19). Follow-up interviews with respondents confirmed that some planners spent less than 100% of their time in planning because they were engaged in collateral financial service activities.

TABLE 19

PROPORTION OF TIME SPENT PLANNING

	N	(%)
Less than 25%	75	(13.2)
25% - 50%	98	(17.3)
51% - 75%	143	(25.3)
Over 75%	246	(43.5)
Omit	4	(0.7)
Total	566	(100.0)

Planning Responsibility: Table 20 shows that 87.1% of these planners are fully responsible for plans they produce, or they supervise the planning by others. A few (6.9%) were either partially responsible or worked under supervision, and a few others (6.0%) did not prepare plans or did not respond to this item in the inventory.

TABLE 20

CURRENT PLANNING RESPONSIBILITY

	N	(%)
Supervising the Planning of Others	138	(24.4)
Fully Responsible	355	(62.7)
Partially Responsible	32	(5.7)
Preparing Plans Under Supervision	7	(1.2)
Do Not Supervise or Prepare Plans	28	(4.9)
Omit	6	(1.1)
Total	566	(100.0)

Professional Experience: Of the 566 people who returned a usable questionnaire, just 20 (3.5%) of them indicated they had three years or less of employment experience in the financial services industry in a professional capacity (Table 21).

TABLE 21

PROFESSIONAL FINANCIAL SERVICE EXPERIENCE

	N	(%)
Three Years or Less	20	(3.5)
More Than Three Years	541	(95.6)
Omit	5	(0.9)
Total	566	(100.0)

Summary Description of Financial Planners: The typical financial planner is a white male college graduate who also may hold a higher education degree. The greatest number of planners are found in California, working in financial planning firms. On average, a planner receives about $100,000 in gross income, two-thirds of which is obtained from commissions on financial products and the balance from fees and salary. This average planner holds the CFP designation as well as a certificate as a CLU or ChFC. Among the licenses also held are those which allow one to deal in common stock (NASD, Registered Investment Advisor) and the right to sell life and health insurance. The planner, as a CFP, is eligible and has joined the ICFP, belongs to the IAFP, and also may have been accepted for the IAFP Registry.

In addition to professional competence as a comprehensive financial planner, this average planner considers himself to have primary expertise in investment planning. The planning qualifications were obtained during the past six to ten years, and he is fully responsible for the financial plans he produces or those that are produced under his supervision.

DESCRIBING THE JOB

Each of the 51 tasks in the inventory was intended to describe an important activity performed by qualified financial planners, typically in an office setting, which the Advisory Committees thought that new planners ought to be able to do at the time of their initial certification. The task list was developed with the benefit of the counsel of expert committee members and the testimony of incumbents on the job. The survey of a broad sample of practitioners was intended to either substantiate or refute these judgments. The evidence that was collected to describe the planner's job is summarized in this section.

Reliability of Ratings: Whenever a survey is conducted and not everyone responds, the question is always raised about how much confidence one can place upon the results. The problem of reliability and credibility of results can arise from two sources. In the first instance, the people who responded may not be representative of the population surveyed. In the second case, although the respondents may be representative of financial planners, they may have marked the inventory inconsistently when rating their judgments about the criticality of the tasks listed.

Regarding sample bias, the respondents in this survey appear to be broadly representative by virtue of the similarity in background to the population of graduates of the College for Financial Planning and the membership of the IAFP and the ICFP. Additional detailed comparisons have been made between subgroups of the respondents to assess the impact of sampling bias on the results. The findings are described in the section on the Comparison of Job Structure Across Groups, where the reader may compare the importance of job components for men, women, late respondents (as proxies for nonrespondents), minorities, and other sampling subgroups.

The issue about the consistency of ratings submitted by these planners is more readily addressed. Analysis of variance (Winer, 1962) was used to compute intraclass correlation coefficients to describe the consistency with which financial planners rated the tasks in the inventory on the scales of Importance and Skill of New Planners. The reliability of the average respondent ranged from .23 to .32 which reflects the extent of agreement between one rater and the next (Table 22). These reliabilities are "stepped up" for the total sample of respondents to yield values of .99 for each of these rating scales. This evidence means that if the task list was administered to another similarly chosen sample of 459 planners from the same population, the average ratings obtained would be nearly identical.

In fact, a parallel sample of just 30 planners would yield a reliability of .90 for the mean ratings of the Skill of New Planners scale and .93 for the mean ratings of the Importance scale. The observed reliabilities of .99 constitute compelling evidence of the overall consistency of the results of the task ratings.

Intercorrelations also were computed between the pairs of ratings assigned to each task on the two scales to estimate the extent to which the raters, on average, made independent judgments with the two scales or, in the extreme, gave the same rating to each task on both scales. The mean within-rater reliability was .56. This suggests that while the ratings on the scales are related to each other, each rating provides some unique information for use in evaluating the tasks.

The correlation between the mean ratings for each task on the two scales was computed to show how much the overall judgment of importance of each task was related to the degree of competence required of new planners (Table 22). The obtained correlation of .86 shows that there is very high agreement among the raters that what is important for an experienced planner to do in the performance of the job also is important for the new planner to be able to do at the time of initial certification.

TABLE 22

RELIABILITY OF RATINGS OF TASKS AND CORRELATION BETWEEN SCALES (N = 459)

Rating Scale	Average Planner	Total Sample
Importance	.32	.99
Skill of New Planners	.23	.99
Within-rater mean correlation between scales		.56
Correlation between scale means		.86

IMPORTANCE RATINGS OF TASKS

To develop a job-related, content valid core curriculum and certification examination, one needs to first identify the critical elements of the job. The Importance rating scale was included in the inventory to enable each planner to indicate the extent to which each task listed was important to the performance of his or her job. Mean ratings were computed and inspected to see which tasks were essential to the performance of the professional work of financial planners (Appendix D). Fifty of the 51 tasks obtained mean ratings above the minimum threshhold of 1.50 (Table 23). All the tasks were judged, on average, to be "moderately important," "very important," or "extremely important" with the single exception of Task 4 of "marketing financial planning services using audio-visual media (e.g., appearing on television, recording audio tapes)."

The tasks with the highest average ratings of "extremely important" were Tasks 5, 6, and 7, which were client-interviewing activities to evaluate client needs, and Tasks 27 and 29, which were concerned with the development of financial planning strategies and of a comprehensive financial plan which meets client goals.

TABLE 23

MEAN RATING OF IMPORTANCE OF EACH TASK (In Rank Order) (N = 459)

Mean	Task #	Mean (cont.)	Task # (cont.)	Mean (cont.)	Task # (cont.)
1.469	4	3.356	42	3.558	25
2.124	3	3.365	15	3.562	45
2.374	51	3.380	36	3.583	16
2.915	49	3.382	26	3.592	28
2.985	33	3.390	37	3.601	24
3.028	48	3.397	35	3.605	32
3.085	50	3.403	43	3.610	9
3.211	31	3.414	39	3.642	18
3.225	14	3.427	13	3.643	8
3.239	47	3.458	46	3.656	17
3.255	34	3.485	1	3.668	30
3.270	22	3.495	12	3.693	23
3.283	10	3.496	38	3.708	27
3.290	21	3.523	11	3.774	7
3.301	20	3.528	40	3.799	29
3.306	19	3.529	44	3.825	6
3.314	2	3.548	41	3.862	5

Another way to evaluate the importance ratings of the tasks is to consider the proportion of planners who rated each task above the minimum level on the Importance scale (e.g., rated each task higher than "(1) of little importance"). Table 24 shows the percent of planners who rated each task as "(2) moderately important" or higher. Clearly, the majority of the respondents rated all tasks as moderately important or of greater importance, with the same exception of Task 4 (marketing using audio-visual media) which almost half of the respondents (46.3%) rated to be "(0) of no importance" or "(1) of little importance."

TABLE 24

PERCENT OF PLANNERS JUDGING EACH TASK AS IMPORTANT
(Rated Above One on the Importance Scale) (N=459)

Percent	Task #	Percent(cont.)	Task #(cont.)	Percent(cont.)	Task #(cont.)
46.3	4	98.0	19	99.3	27
71.2	3	98.0	21	99.3	28
77.2	51	98.3	42	99.3	44
87.8	49	98.5	37	99.6	16
90.6	31	98.5	45	99.6	38
93.9	33	98.7	10	99.8	5
94.3	48	98.7	32	99.8	6
94.5	2	98.9	18	99.8	7
94.5	47	98.9	26	99.8	8
95.4	50	98.9	30	99.8	11
96.3	20	99.1	13	99.8	12
96.7	36	99.1	15	99.8	17
96.9	34	99.1	24	99.8	23
97.2	35	99.1	39	99.8	40
97.6	22	99.1	43	99.8	41
98.0	1	99.3	9	99.8	46
98.0	14	99.3	25	100.0	29

ADDITIONAL TASKS OR KNOWLEDGE AREAS

The last page of the inventory asked the planners to list any additional important tasks and important knowledge areas not covered in the questionnaire. A total of 259 tasks or topics were mentioned by the 621 planners who returned a questionnaire, but no new, major tasks or knowledge areas were listed by the respondents that were not already included in the inventory. The 259 responses were coded, tabulated, and are summarized in Table 25. Computer skills and practice management activities were most often mentioned, but the majority of items listed (144) were suggested by just one respondent.

TABLE 25

ADDITIONAL IMPORTANT TASKS AND KNOWLEDGE AREAS LISTED BY RESPONDENTS

		N	(Percent)	(Cumulative Percent)
1.	Computer Skills	18	(6.9)	(6.9)
2.	Marketing	13	(5.0)	(11.9)
3.	Staff Supervision	13	(5.0)	(16.9)
4.	Skills of Managing a Practice	9	(3.5)	(20.4)
5.	Due Diligence	7	(2.7)	(23.1)
6.	Time Management	5	(1.9)	(25.0)
7.	Public Relations	5	(1.9)	(26.9)
8.	Continuing Education	4	(1.5)	(28.4)
9.	Use of a Financial Calculator	3	(1.2)	(29.6)
10.	Community Activities	3	(1.2)	(30.8)
11.	More Knowledge of Economics	3	(1.2)	(32.0)
12.	Written Communication	2	(0.8)	(32.8)
13.	Office Administration	2	(0.8)	(33.6)
14.	Budgeting	2	(0.8)	(34.4)
15.	Business Planning/Management	2	(0.8)	(35.2)
16.	Client Interview Techniques	2	(0.8)	(36.0)
17.	Client Psychology	2	(0.8)	(36.8)
18.	Running an Office	2	(0.8)	(37.6)
19.	Acquiring Selling and Motivational Techniques	2	(0.8)	(38.4)
20.	Basic Knowledge of Research Methods	2	(0.8)	(39.2)
21.	Knowledge of Sales Process	2	(0.8)	(40.0)
22.	Customer "Hand Holding"	2	(0.8)	(40.8)
23.	Banking Operations and Characteristics	2	(0.8)	(42.6)
24.	Business Letter Writing	2	(0.8)	(42.4)
25.	Continued Self Study	2	(0.8)	(43.2)
26.	Trusts and Wills	2	(0.8)	(44.0)
27.	Dealing with Retired People	2	(0.8)	(44.8)
28.	Other Task and Knowledge Areas (Mentioned just once)	144	(55.6)	(100.0)
	Total	259	(100.0)	(100.0)

COMPETENCE AT CERTIFICATION

The Skill of New Planners rating scale was used to identify the tasks that a newly qualified planner must be able to perform at the time of initial certification. This information was included to make sure that the certification examinations, to be developed on the basis of this job analysis, did not require skills that would not be expected of a planner who was obtaining certification for the first time. The mean ratings are given in Appendix D and also are provided in rank order in Table 26. The same task (marketing using audio-visual media) was the only one that fell below the minimum rating threshhold of 1.50. All of the remaining 50 tasks were judged to be important activities to be performed by new planners.

TABLE 26

MEAN RATINGS OF SKILL REQUIRED OF NEW PLANNERS (N = 459)

Mean	Task #	Mean (cont.)	Task # (cont.)	Mean (cont.)	Task # (cont.)
1.082	4	2.609	38	2.811	25
1.522	49	2.613	34	2.822	24
1.594	3	2.670	39	2.822	40
1.743	47	2.678	10	2.853	17
2.159	48	2.687	22	2.886	23
2.227	51	2.701	19	2.906	9
2.278	1	2.725	13	2.919	45
2.300	50	2.725	32	2.921	30
2.450	37	2.725	43	2.952	27
2.471	14	2.735	15	2.961	20
2.557	35	2.741	12	2.965	46
2.561	33	2.765	11	2.991	29
2.563	36	2.778	28	3.031	18
2.566	42	2.793	16	3.114	8
2.600	31	2.800	44	3.208	6
2.605	26	2.803	21	3.240	7
2.606	2	2.806	41	3.244	5

Table 27 shows the percent of planners who rated each task above the minimum level on the Skill scale (e.g., rated the tasks at least at the level of "(2) some degree of competence is essential"). In addition to Task 4, one other task was judged by a narrow majority of respondents as not essential for new planners. This task, (49), involves clerical and administrative duties which are standard in the operation of an office. A number of other tasks in the inventory describe the management of a financial planning practice which are all incidental to the primary mission of a planner. These tasks were retained for a later stage in the analysis where job components were evaluated for appropriateness for professional certification.

TABLE 27

PERCENT JUDGING EACH TASK AS ESSENTIAL FOR NEW PLANNERS
(Rated above one on the Skill Scale) (N=459)

Percent	Task #	Percent(cont.)	Task #(cont.)	Percent(cont.)	Task #(cont.)
30.9	4	89.7	19	95.2	21
48.6	49	89.7	32	95.4	16
50.8	3	89.9	39	95.6	15
57.1	47	90.4	44	95.6	17
72.2	48	90.7	2	96.1	20
75.1	51	90.7	18	96.1	24
75.5	1	91.9	41	96.3	13
75.8	50	91.9	43	96.5	23
83.1	37	92.9	46	96.7	9
85.0	31	92.3	40	96.9	5
85.7	36	92.8	33	96.9	25
86.6	35	92.9	26	96.9	29
87.7	38	93.6	28	97.1	11
88.1	45	93.7	22	97.4	6
89.0	42	94.7	30	97.4	7
89.5	34	95.0	27	97.8	8
89.6	14	95.2	10	97.8	12

SUMMARY OF TASK RATINGS

The evidence of these ratings provides substantial support for the prior judgments of experts, the Advisory Committee members, who reviewed and endorsed the list of tasks included in the inventory. All but one of the tasks (98%) were regarded as important by the planners participating in this study. These 50 tasks, on the basis of their mean ratings, also were judged to be essential to the competent performance of newly qualified planners at the time of initial certification. On the evidence of these results, the 50 tasks were retained in the research study for further analysis.

STRUCTURE OF THE PLANNER'S JOB

The foregoing discussion has focused on the tasks in terms of importance to the work of financial planners and the necessity for newly qualified financial planners to be competent to perform them at the time of initial certification. This section describes the additional statistical analysis procedures followed to examine the structure of the planner's job and determine whether there is sufficient similarity between planners in different subgroups to define a common set of functions. Comparisons are made of the way sets of tasks are rated by planners grouped by various background characteristics such as gender, ethnicity, level of education, place of employment, length of experience, CFP designation held, and sample group membership. The analysis of the job structure provides a basis for exploring the job-relatedness of the knowledge areas listed in the inventory. The research plan was designed to describe a coherent structure of the professional activities of planners that may be used to investigate the linkage of each one of the topics of knowledge listed, to learn if they are job related.

Refined Sample: To ensure that the job structure to be identified would represent the professional functions of fully qualified, actively engaged financial planners, the total sample of planners was culled of cases where the qualifications of the respondent were insufficient, ambiguous, or uncertain. The answers to background variables 151, 152, 154, and 161 were used to exclude 107 cases, leaving 459 planners in this phase of the study who positively indicated in their inventory that they:

- have been qualified financial planners between 2-5 years or more (item 151),
- have been employed in the financial services industry at least three years (item 161),
- spend at least 25% of their time doing personal financial planning, (item 152), and
- supervise the planning of others or are fully responsible for the plans they produce (item 154).

Although the sample size was now reduced to 81% of the available cases, the loss (and resultant bias) was judged desirable since the sample of planners retained for the factor analysis constituted undeniably active, practicing, professional financial planners and represented a distinctly qualified group with which to describe the planner's job.

FACTOR ANALYSIS OF THE TASKS

The job activities in the inventory, in consultation with the Job Analysis Advisory Committees, were initially grouped under six broad categories:

A. Marketing Financial Planning Services
B. Evaluating Client Needs
C. Explaining Financial Planning Concepts and Clarifying Client Goals
D. Analyzing Information and Preparing Comprehensive Financial Plans
E. Implementing and Monitoring Comprehensive Financial Plans
F. Establishing and Maintaining Accurate Records and Performing Other Professional Functions.

The ratings obtained from the survey provided an opportunity to explore alternate ways of grouping the tasks in a manner which might highlight the critical components of the financial planner's job. The statistical technique of factor analysis was employed to provide an "orderly simplification" of the 22,950 ratings of 50 tasks made by the 459 respondents (Burt, 1940). The importance ratings of the tasks were reduced to 1,225 correlations to which the principal components analysis technique was applied (Hotelling, 1933) followed by varimax rotation (Kaiser, 1958) to simple structure, using an SPSS-PC$^+$ microcomputer program (Norusis, 1986).

Several rotated solutions were plotted and reviewed; the point of inflection was examined, and it was concluded that an eleven-factor orthogonal solution provided the most parsimonious ordered representation of the important professional activities of financial planners. The eleven factors accounted for 61.9% of the total variance, and each factor is described below. The statistical details are provided in Appendix E, which contains the full correlation matrix, the initial statistics of factor extraction, the rotated factor loadings matrix, and a reduced matrix of correlations between the items associated with each factor.

Factor I: Markets Financial Planning Services: Planners use a variety of techniques to secure and serve their clients, and three of the four items included in the inventory to tap this area had uniformly high loadings on this factor.

	Task	Loading
3.	Uses published media (e.g., writing articles, books, newsletters, advertisements)	.68
2.	Makes personal presentations (e.g., face-to-face contacts, talks, lectures, seminars)	.63
1.	Obtains referrals from other professionals and clients	.56

Factor II: Interviews Clients: A financial planner meets with present and prospective clients and collects information from them through personal interviews and questionnaires. The information gathering process aims to evaluate the client's needs and help to identify and articulate the client's financial needs and goals. The tasks that clustered into this factor were considered by the survey respondents to be among the most important activities of their work.

	Task	Loading
6.	Explores client background and attitudes through interview/questionnaire that bear on personal and financial goals and needs	.78
7.	Obtains information from client through interview/questionnaire about financial resources and obligations that pertain to a financial plan	.68
5.	Interviews prospective clients about short-range and long-range financial goals	.67

Factor III: Explains Issues and Concepts: The third factor in the analysis (ordered in logical sequence and not in order of extraction) includes ten of the 51 tasks in the inventory. These tasks were listed under the heading of Explaining Financial Planning Concepts and Clarifying Client Goals, and they are, quite clearly, variations on a common theme. The planner explains issues and concepts related to numerous aspects of the content, product, and process of planning.

	Task	Loading
14.	Explains issues and concepts related to wills, trusts and estate plans, including aspects of alternative legal agreements and estate plans	.71

Task	Loading
12. Explains issues and concepts related to local State and Federal taxes, tax-favored products and other aspects of tax planning	.70
10. Explains issues and concepts related to risk management including self insurance, life, accident, health, liability, property, casualty, and other aspects of insurance planning	.69
11. Explains issues and concepts related to investments, including stocks, bonds, property, collectibles and other aspects of investment planning	.68
13. Explains issues and concepts related to retirement, including benefits, Social Security, employer pension programs, and other related aspects of retirement planning	.66
15. Explains issues and concepts related to economics, the time value of money, asset management, personal finance (e.g., budgeting, cash flow)	.66
9. Explains issues and concepts related to overall financial planning process	.63
16. Explains issues and concepts that relate financial goals and resources to risk management, investments, tax planning, retirement and estate planning	.63
17. Identifies problems between client resources and objectives and describes choices in order to clarify client goals	.52
26. Evaluates client estate plans and goals and makes recommendations for client consideration	.47

Factor IV: Analyzes Client Circumstances: This factor entails the analysis of the records and documents that describe the client's circumstances. Risk exposures and risk management arrangements, tax returns, investment records, pension documents, estate plans, and other financial records will be reviewed by the planner to understand the client's predicament. The planner performs this analysis against a background of information previously exchanged with the client, in the course of interview questions asked and explanations given, about needs and goals as well as issues and concepts related to financial planning.

Task	Loading
21. Analyzes client risk exposures and current risk management arrangements	.72
20. Prepares statements of financial position and cash flow	.70
8. Collects and analyzes client records and documents that describe financial circumstances (e.g., tax returns, investment records, insurance policies, property holdings, buy-sell agreements, pension documents, wills, trusts, etc.)	.63
25. Analyzes client retirement plans, benefits, resources, and prepares recommendations for achieving client goals	.58
22. Prepares specific risk management recommendations to serve client requirements (e.g., risk retention, insurance)	.55
24. Analyzes client tax position and financial position and develops alternatives which address client goals	.51
33. Advises and counsels clients on personal budgeting, planning of expenditures, and alternative allocations of financial assets	.39

Factor V: Develops Comprehensive Financial Plans: The visible product of the planning process is a comprehensive financial plan which addresses the client's needs and utilizes financial strategies and tactics which are tailored to meet the client's goals. The planner will prepare projections, formulate a strategy, and make recommendations which may narrowly address a specific client problem or, conversely, represent a broad program of asset management.

Task	Loading
29. Develops financial planning strategies that meet client goals	.68
30. Reviews and evaluates prepared financial plan to ensure match with client goals and resources	.63

Task	Loading
23. Analyzes client investments, asset ownership and financial asset mix and formulates an investment strategy	.54
27. Develops a comprehensive, client-specific financial plan tailored to meet the goals and objectives of the client	.51
28. Prepares/reviews financial statements, projections, and makes recommendations for general asset management or for specific financial decisions to serve client goals	.51
18. Explains fee structure, fiduciary responsibilities and relationship of financial planner to client and provides full and fair disclosure of material facts and opinions about recommended products and services	.40

Factor VI: Implements Financial Products: Some, but not all, planners will be invited to carry out the financial plans which they have prepared for their clients. They may select and offer financial products to their clients, make recommendations for action, and carry out requests to trade financial products. Although fee-only planners, by definition, do not perform these activities for a commission, they too rated this factor as an important component of the financial planning practitioner's repertoire of skills. (The evidence for this last statement is given in Table 30 the next section of this report.)

Task	Loading
31. Carries out client requests to purchase/sell financial products	.74
32. Offers investment recommendations for client consideration	.73
36. Selects and offers alternative financial products for client	.72

Factor VII: Monitors Financial Plans: The seventh factor in this analysis represents the last step in the traditional six-step financial planning process (reflected by factors II through VII in this study). An effective financial plan serves as a tool for a dynamic consulting process between planner and client. Client circumstances change, sometimes traumatically, by death, divorce, or other personal situations, and the economy also changes with the advent of new laws and changing market evaluations of assets. Planners will communicate regularly with their clients to make sure that the financial plan remains relevant and that the client's goals and needs are known.

Task	Loading
40. Communicates with client periodically to review and ensure relevance of client financial plans	.71
41. Monitors and evaluates financial soundness of recommendations and provides timely advice to clients, explaining both good and bad news	.66
39. Reviews and evaluates changes in client's personal circumstances (birth/death, illness, divorce, retirement, etc.) and makes recommendations which meet new circumstances	.65
38. Reviews and evaluates changing laws and economic circumstances and recommends revised financial plans	.52
43. Tracks progress of financial plan or recommendations and evaluates alternatives	.52

Factor VIII: Monitors Financial Products: Planners keep a watchful eye on financial products as well as the client's financial plan. They need to be aware of the market value of products they have recommended to their clients and also must be on the alert for new products to recommend. Some planning firms and individuals may delegate the evaluation of financial products to a due diligence officer or to a specialist firm, but they still must review the evaluations obtained. As one member of the Advisory Committee said, a planner must exercise "secondary due diligence," if not primary, to ensure that the planning advice given is sound.

Task	Loading
37. Advises and counsels clients on financial soundness and risk of recommendations and implications of alternative courses of action (e.g., sale of business, financing a loan)	.63

Task	Loading
35. Reviews and evaluates financial products for their soundness	.57
42. Evaluates the merits of new and existing financial products to ensure soundness of recommendations and evaluates alternatives	.47

Factor IX: Complies with Requirements: The ninth factor in this analysis represents the legal, professional, and ethical requirements that must be met before a financial planner can practice. Only two tasks were included in the inventory to represent this area of activity, but their loadings are so high as to leave no doubt of the strength of their relationship in defining this factor.

Task	Loading
45. Obtains and maintains legal registrations and keeps accurate records to ensure compliance with State and Federal requirements	.80
44. Keeps informed of financial developments and regulatory requirements to ensure compliance with legal, ethical, and professional requirements and standards	.78

Factor X: Manages a Planning Practice: The task list of activities of planners included a few items of a non-professional nature to provide complete coverage of the job. It was recognized from the outset, however, that such tasks were not essential to the core curriculum or the examination and certification process. The two tasks with the highest loadings, No. 47 and No. 49, clearly define this factor. The third item, No. 46, is a marginal member of this factor, but there is no doubt that a conscientious planner needs to keep up-to-date with developments in the profession. The last item, No. 48, also is a marginal member of this factor, but it more likely should belong to Factor VIII, Monitors Financial Products. The statistical analysis procedure, in this case, may have led to an orderly "over-simplification."

Task	Loading
47. Manages a financial planning practice (organizing, staffing, keeping business records, etc.)	.76

Task	Loading
49. Supervises the work of paraplanner, clerical or other administrative staff to ensure effectiveness of operations	.68
46. Reads professional publications, participates in professional organizations and programs, attends seminars, conventions, engages in other professional activities to keep up-to-date	.41
48. Talks with product representatives and others, reviews and evaluates financial information and reports to meet legal, ethical, and professional requirements	.40

Factor XI: Consults with Other Professionals: The professional activities performed by planners are not conducted in isolation. A planner will write letters and talk with the client's advisors to obtain and verify information about the client's goals as well as resources. Accountants, attorneys, stockbrokers, insurance agents, bankers, and other financial planners also may be tied into the communication and interaction network to ensure that the information about the client's affairs is accurate and to coordinate the development and implementation of the financial plan.

The last item, No. 51, is a marginal member of this factor and, arguably, belongs with the activities in Factor X.

Task	Loading
34. Cooperates with client advisors on personal budgeting, planning of expenditures and alternative allocations of financial assets	.61
50. Collaborates with colleagues and other professionals to coordinate the development and implementation of financial plans	.58
19. Communicates with client and advisors (accountant, attorney, others) to gather/verify client information	.53
51. Writes letters, prepares and files records and performs other clerical or administrative duties to carry out the financial planning process	.38

Summary of the Factor Analysis: The importance ratings of the 50 tasks by a reduced sample of 459 fully qualified, actively engaged planners were statistically analyzed using a principal components factor analysis with orthogonal rotation to simple structure. The results produced an eleven-factor job structure which appeared to represent all of the important components of the financial planner's job. The factors were named:

FACTOR	NAME
I	Markets Financial Planning Services
II	Interviews Clients
III	Explains Issues and Concepts
IV	Analyzes Client Circumstances
V	Develops Comprehensive Financial Plans
VI	Implements Financial Products
VII	Monitors Financial Plans
VIII	Monitors Financial Products
IX	Complies with Requirements
X	Manages a Planning Practice
XI	Consults with Other Professionals

The factor structure and the names of the factors were reviewed and refined by the Job Analysis Committee. The eleven-factor job structure appears to represent a cogent way to describe the major components of the job of a financial planner. The structure provides a basis for: (A) comparing the job structure of different groups of respondents, and (B) establishing the job-relatedness of the topics of knowledge listed in the inventory.

COMPARISON OF JOB STRUCTURE ACROSS GROUPS

Several benefits from the factor analysis accrue in this study. The grouping of the 50 tasks into a reduced set of factors of major job duties provides a reasonable description of the fundamental tasks which characterize the financial planner's job.

The grouping also provides a basis for computing scores for each respondent on each factor. The scores on each factor then can be averaged across various subgroups of respondents to compare the job duties of the groups. If one group, say female planners, all had an average rating for a factor of 1.00 ("of little importance") and the men as a group averaged 3.00 ("very important"), for that factor, one would conclude that the factor was a significant responsibility for men but not for women and that the financial planning job is not one and the same for both groups. If the job is indeed different, then the CFP examination for competence must be different for each group if it is to be legally and professionally defensible. Using the approach of computing average ratings of job factors for individuals and then subgroups provides a convenient way of learning whether the important duties of the job of a financial planner are the same across groups or whether there is, in effect, more than one job called financial planner.

A third benefit from the factor analysis and computation of average ratings is to provide a convenient way of examining the impact of bias in sampling of respondents for this study. If there were, say, too few females in the study, and their job was found to be different from that performed by males, then the meaning of the results would be wide open to argument.

The following tables show the average importance ratings of the 11 job factors across various groups. Statistical tests were not applied to these data since the major concern was whether these groups, by their average ratings, judged each factor as a critical or important part of their job. Mean ratings above 1.50 are interpreted as, at least, "of moderate importance." Mean ratings above 2.50 are interpreted as "very important"; those above 3.50 as "extremely important."

Male vs Female Planners: Table 28 shows the mean importance ratings by gender on the 11 job factors. Men and women in the sample rated every one of the 11 factors, on average, either as "very important" or "extremely important." The single most important activity for both groups was Factor II, Interviews Clients. On the basis of this evidence, it is concluded that the important job duties are the same for planners, regardless of gender.

Table 28

MEAN RATINGS OF IMPORTANCE OF TASKS GROUPED BY GENDER

	MALE			FEMALE		
Factor	N	Mean	SD	N	Mean	SD
I	392	2.97	.64	62	2.99	.60
II	389	3.81	.35	62	3.88	.31
III	387	3.45	.49	62	3.50	.46
IV	390	3.37	.55	62	3.44	.54
V	390	3.67	.41	61	3.76	.36
VI	389	3.39	.69	62	3.45	.66
VII	388	3.47	.50	62	3.56	.51
VIII	391	3.38	.59	62	3.38	.77
IX	392	3.53	.63	61	3.66	.70
X	389	3.17	.68	62	3.12	.78
XI	389	3.01	.63	62	3.00	.73

Ethnic Background: The respondents to this survey were predominately white. Of the 566 usable inventories received, the respondents included one Black, three Hispanics, six Native American/Alaskans, six Asian/Pacific Islanders, and four others. These minority group members were combined into a single "other" group for analysis and comparison. The mean ratings of importance of the 11 job dimensions are given in Table 29 for the reduced sample of 459 active planners.

The mean ratings for both groups on all factors are in the "very important" or "extremely important" range, which show that the 11 components of the job represent critical aspects of the planner's job. Although the sample size for the "other" group is very small, the evidence does suggest that the important job duties for both majority and minority planners are judged to be the same.

TABLE 29

MEAN RATINGS OF IMPORTANCE OF TASKS GROUPED BY ETHNIC BACKGROUND

	WHITE			OTHER		
Factor	N	Mean	SD	N	Mean	SD
I	435	2.97	.64	17	3.24	.59
II	432	3.82	.35	17	3.80	.30
III	430	3.45	.49	17	3.60	.35
IV	433	3.38	.55	17	3.35	.42
V	432	3.68	.40	17	3.72	.33
VI	432	3.39	.69	17	3.57	.57
VII	431	3.47	.51	17	3.67	.25
VIII	434	3.37	.62	17	3.53	.42
IX	434	3.55	.64	17	3.47	.74
X	432	3.16	.70	17	3.12	.54
XI	432	3.01	.65	17	2.87	.60

Sample Groups: A third comparison was made of the importance ratings of tasks between the respondents from each of the four sampling groups to whom the inventory was sent. The results are provided in Table 30.

Once again, the same conclusion is drawn. All 11 components represent important aspects of the financial planner's job. It is noteworthy that the NAPFA members, fee-only planners who presumably abstain from trading in financial products for a commission, nevertheless rated Factor VI, Implements Financial Products, as 2.92 or a "very important" element of the work that planners do.

TABLE 30

MEAN RATINGS OF IMPORTANCE OF TASKS GROUPED BY SAMPLE

	American College			NAPFA			IAFP Registry			COLLEGE		
Factor	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD
I	32	3.02	.65	60	2.74	.77	243	3.08	.56	123	2.87	.66
II	31	3.79	.35	60	3.73	.37	242	3.84	.32	122	3.83	.37
III	32	3.39	.61	59	3.42	.45	242	3.51	.47	120	3.39	.50
IV	31	3.27	.74	60	3.43	.53	242	3.41	.53	123	3.32	.53
V	32	3.47	.62	60	3.72	.34	244	3.72	.39	119	3.66	.37
VI	32	3.46	.63	59	2.92	.77	241	3.50	.60	123	3.41	.73
VII	31	3.28	.67	60	3.49	.53	243	3.53	.47	120	3.43	.49
VIII	32	3.27	.74	60	3.43	.63	243	3.45	.54	122	3.25	.70
IX	32	3.50	.67	60	3.46	.72	242	3.58	.59	123	3.54	.69
X	32	2.98	.71	60	3.05	.74	241	3.28	.62	122	3.04	.77
XI	32	2.95	.65	60	2.99	.66	242	3.04	.63	121	2.97	.67

Other Comparisons of Mean Importance Ratings of Tasks: Five other comparisons of the importance ratings of the job components were made to investigate how different groups evaluate the responsibilities of a financial planner. (The details of the ratings are given in Appendix F.)

One group of respondents who hold the CFP designation was contrasted with the 95 people in this reduced sample who are not CFPs. Another contrast was made between those who work in financial planning firms and those who are employed elsewhere. The mean importance ratings of respondents with five years or less of planning experience also were compared with those with greater experience. The fourth comparison was made between planners who were educated to the master's degree level or beyond and those who held a bachelor's degree or less. The final comparison was made between the last 100 respondents to return a questionnaire and the 466 who returned one earlier. Under the assumption that the late respondents were more like the nonrespondents, this last comparison allowed for a check on the likely ratings of the nonrespondents to the survey. All group comparisons led to the same conclusions previously obtained:

A. There is just one job called financial planner;
B. The job is made up of 11 fundamental, critical tasks, and
C. All 11 tasks are important aspects of the work of planners, regardless of their gender, ethnicity, sample group membership, CFP designation held, place of employment, length of experience, or level of education.

In view of the very high level of mean rating obtained on each factor ("very important" or "extremely important") and the collective judgment of each subgroup that all 11 job factors are important aspects of their work, the issue of bias in sampling recedes in importance. The uniform endorsement of the 11 critical factors of the planner's job across groups provides a firm basis for investigating the job-relatedness of the 99 topics of knowledge in the inventory.

The next section of the report describes the steps taken to evaluate the knowledge considered necessary for inclusion in CFP examinations and for determining and documenting the job-relatedness of the important topics that should be mastered for certification as a qualified financial planner.

ANALYZING THE KNOWLEDGE AREAS

The second part of the inventory presented the planners with a list of 99 topics of knowledge that were thought to be relevant to the work of financial planners. Most of the topics were those prescribed by the IBCFP (1987), but over a dozen topics were added to the list by the Job Analysis Advisory Committee. The topics were organized, as mentioned earlier, under six headings:

Heading	Number of Topics
General Financial Planning	14
Risk Management	14
Investment Planning	19
Tax Planning	18
Retirement Planning	15
Estate Planning	19
Total	99

Planners were invited to rate each topic on its importance to the competent performance of the job and on the level of knowledge needed or used by new planners. The Importance scale values ranged from zero to four:

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

The threshold value of minimum importance was taken as 1.50.

The Level of Knowledge scale also ranged from zero to four:

(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

The minimum threshold here was 0.49 or less, which would signify that a new planner does not need to know this information, not even at the simple level of recognizing or remembering a specific fact. The ratings of 459 planners were averaged and rank ordered for ease of review. These ratings were intended to provide survey evidence with which to verify (or contradict) the judgments of the Advisory Committee members who reviewed and endorsed the inventory. The ratings also provide a basis for deciding which topics should be learned and assessed for certification, and the appropriate level of complexity at which they should be tested. (As mentioned earlier, although the survey respondents were invited to list additional topics of knowledge, no new, major topics of knowledge were listed by them that were not already included.)

The material which follows describes the analysis used to evaluate the topics of knowledge rated as important by planners participating in this research study and the procedures used to link these topics to the job factors representing the professional responsibilities of financial planners.

Reliability of Ratings: Analysis of variance was used to compute intraclass correlation coefficients to describe the consistency of the planners when rating the topics of knowledge on the two scales of Importance and Level of Knowledge Required of New Planners. The reliability of the average respondent was .25 on each scale, reflecting the level of agreement between one rater and the next (Table 31). These reliabilities are adjusted by the Spearman-Brown formula for the total sample of respondents to yield reliability values of .99 for both scales. Therefore, if the knowledge section of the inventory was administered to another sample of 459 planners chosen from the same sources, the average ratings obtained for the topics would be virtually the same. A parallel sample of just 27 planners would yield a reliability of .90 for the mean ratings obtained with each scale used to judge the topics of knowledge. The overall reliability of .99 for each scale represents very strong evidence of the consistency of the results of the knowledge ratings.

Intercorrelation of the mean ratings on each scale was found to be .93. This indicates that the topics these planners collectively judged to be important to the competent performance of their work were rated at a corresponding level of cognitive complexity required of newly qualified planners.

Intercorrelations between pairs of ratings made by each rater on the topics of knowledge also were computed and averaged. The mean intra-rater correlation was .55, which indicates that each scale provides a degree of unique information although the ratings are related to each other (Table 31).

TABLE 31

RELIABILITY OF RATINGS OF TOPICS OF KNOWLEDGE AND CORRELATION BETWEEN SCALES

Rating Scale	AVERAGE Planner	TOTAL Sample
Importance	.25	.99
Level of knowledge	.25	.99
Within-rater mean correlation between scales		.55
Correlation between scale means		.93

IMPORTANCE RATINGS OF TOPICS OF KNOWLEDGE

Mean ratings of the topics of knowledge were computed for both rating scales (Appendix G) to learn which topics were unimportant to the work of planners or were not needed or used by new planners. Just one topic (114, - Foreign taxation) was rated below the minimum threshold of 1.50 and four other topics were of marginal importance with means below 2.00 (69, Fidelity/surety bonding; 87, Futures, puts/calls; 88, Physical assets and collectibles; and 97, Foreign investments and currencies). The topics of greatest importance were 64, Listening/talking/speaking; 60, Ethical standards and practices; 52, Financial planning process; and 80, Investment planning process. The mean ratings of importance of topics are given in Table 32 in rank order.

TABLE 32

MEAN RATING OF IMPORTANCE OF KNOWLEDGE AREAS (In Rank Order)

(N = 459)

Mean	KA #	Mean (cont.)	KA # (cont.)	Mean (cont.)	KA # (cont.)
1.284	114	2.877	136	3.228	111
1.708	87	2.882	100	3.237	89
1.775	69	2.897	102	3.241	133
1.866	97	2.904	121	3.251	94
1.993	88	2.934	148	3.257	139
2.289	104	2.948	70	3.261	72
2.290	98	2.956	131	3.284	83
2.410	145	2.961	109	3.285	149
2.447	74	2.987	147	3.287	58
2.450	105	2.996	96	3.300	81
2.501	127	3.000	143	3.317	110
2.509	107	3.007	101	3.334	71
2.526	77	3.022	90	3.374	115
2.534	75	3.024	140	3.402	150
2.540	125	3.035	142	3.404	53
2.579	122	3.052	66	3.409	112
2.590	146	3.053	135	3.422	118
2.615	126	3.066	134	3.432	93
2.625	78	3.083	137	3.434	65
2.694	76	3.086	54	3.449	132
2.701	55	3.094	138	3.478	59
2.739	86	3.191	120	3.522	82
2.770	130	3.103	106	3.580	63
2.781	116	3.118	85	3.600	117
2.789	128	3.142	67	3.607	62
2.795	119	3.158	141	3.610	91
2.804	73	3.164	95	3.611	61
2.831	92	3.171	84	3.611	129
2.834	56	3.184	123	3.624	99
2.836	108	3.190	68	3.675	80
2.857	103	3.199	124	3.707	52
2.868	144	3.212	57	3.710	60
2.869	79	3.223	113	3.801	64

The second technique used to evaluate the criticality of the topics of knowledge was to examine the proportion of planners who rated each topic above the minimum level on the Importance scale (e.g., rated each topic of at least "moderate importance"). Table 33 shows the percent of planners rating each topic at the level of "moderately important" or higher. Foreign taxation is the only topic that was rated by the majority as unimportant.

TABLE 33

PERCENT OF PLANNERS JUDGING EACH KNOWLEDGE AREA AS IMPORTANT FOR NEW PLANNERS

(Rated Above One on the Importance Scale) (N=459)

Percent	Topic #	Percent(cont.)	Topic #(cont.)	Percent(cont.)	Topic #(cont.)
35.7	114	91.9	147	98.0	95
54.2	87	92.1	100	98.0	133
60.8	69	92.4	119	98.2	112
61.6	97	92.6	102	98.5	93
68.0	88	92.8	121	98.5	141
76.8	104	93.2	55	98.7	59
78.1	98	93.4	131	98.7	71
80.5	145	94.1	140	98.7	84
81.6	105	94.3	96	98.7	110
84.1	74	94.3	148	98.7	139
84.9	146	94.7	90	98.9	67
85.7	122	95.0	56	98.9	149
86.0	127	95.0	79	99.1	65
86.3	75	95.0	143	99.1	115
87.3	107	95.4	94	99.1	150
87.7	125	95.4	135	99.1	68
87.8	76	95.6	58	99.1	117
88.0	77	95.6	85	99.3	60
88.5	78	96.1	137	99.3	61
89.1	109	96.3	54	99.3	62
89.3	126	96.3	142	99.3	83
89.5	92	96.5	123	99.3	118
89.7	86	96.5	134	99.3	132
89.9	130	96.7	72	99.6	53
90.8	73	96.7	138	99.6	80
91.2	128	96.9	81	99.6	99
91.2	144	97.2	113	99.6	129
91.7	70	97.2	120	99.8	52
91.7	101	97.4	57	99.8	64
91.7	108	97.4	89	99.8	66
91.9	103	97.4	111	99.8	82
91.9	116	97.4	124	99.8	91
91.9	136	97.6	106	100.0	63

Importance of Topics for CFPs vs non-CFPs: Some questions have been raised about the credibility of the knowledge ratings since they were obtained from respondents who are in the majority (78.1%) CFPs. As such, they have successfully completed the program of study offered by the College for Financial Planning, and have mastered most of the material listed in the inventory. It has been suggested that their ratings might reflect little more than an expression that their study efforts were not useless. To address the issue of objectivity of the judgments of these Certified Financial Planners, the sample of respondents was divided into two groups; those who hold the CFP credential and those who do not. The mean ratings of importance of the topics of knowledge were compared, and the results are presented in Table 34. Of the 99 topics, 88 fell into the same category of importance rating, and the remainder were just one category away.

The correlation of the mean ratings between these two groups was .93. A test of statistical significance between means was made (at the $p<.01$ level), and just one of the 11 off-diagonal ratings was significantly different. Topic 150, Estate liquidity needs, obtained a mean rating of 3.33 ("very important") by the CFPs and a mean rating of 3.57 ("extremely important") by the non-CFPs. The other ten off-diagonal ratings fell just over the dividing line (2.50 or 3.50) of the rating categories, but the differences in mean ratings were not significant.

Looking at the profile of ratings of importance of these topics for the total sample (see Table 32), one finds that 12 of the topics are extremely important, 77 are very important, nine are moderately important, and just one topic is of little importance. There is full agreement between CFPs and non-CFPs (Table 34) that an understanding of 98 of these 99 topics is important to the competent performance of the financial planner's job.

TABLE 34

NUMBER OF MEAN RATINGS OF IMPORTANCE OF TOPICS OF KNOWLEDGE BY CFPS AND NON-CFPS

	Not a CFP (N = 99)				
CFP Rating (N = 360)	(1) of Little Importance	(2) of Moderate Importance	(3) Very Important	(4) Extremely Important	Total
(4)Extremely Important			2	12	14
(3)Very Important		2	70	4	76
(2)of Moderate Importance		5	3		8
(1)of little Importance	1				1
Total	1	7	75	16	99

LEVEL OF KNOWLEDGE RATINGS OF TOPICS OF KNOWLEDGE

The Level of Knowledge scale was used to identify the level of thinking (cognitive complexity) that a new planner must command to know and use the knowledge subsumed under each topic. The scale was designed to establish a level of complexity or difficulty for each topic to guide the work of the examination developers. The aim of the examiners, in pursuit of content validity, is to create an examination with items that, as the EEOC prescribed in answer to Question 79, "fairly sample the information that is actually used by the employee on the job, so that the level of difficulty of the test items should correspond to the level of difficulty of the knowledge as used in the work behavior" (EEOC, et al,1979). The presiding judge in the Vulcan Society case (1973) similarly concluded, "It is essential that the examination test these attributes both in proportion to their relative importance on the job and at the level of difficulty demanded by the job."

MEAN RATINGS OF LEVEL OF KNOWLEDGE

The mean ratings of the level of knowledge required of new planners are listed in rank order in Table 35 and in Appendix G. The percent of respondents rating each topic at each Level of Knowledge is given in Appendix H. Four topics were rated below 1.50 and should be tested, if at all, mainly at the level of facts or terms. A job-related examination should therefore ask no more of a candidate on these four topics than whether they can recognize or remember terms or specific facts about 69, Fidelity/surety bonding; 87,Futures, puts/calls; 97, Foreign investments, currencies and 114, Foreign Taxation. Questions of a more searching nature can be used to test the knowledge of the other topics.

The highest rated topic was 60, Ethical standards and practices. Candidates could be asked questions in the CFP examination that require them to reveal their knowledge of facts, the ability to comprehend and apply those facts, analyze and synthesize ethical situations, and also evaluate circumstances and recommend an appropriate course of action. If the average complexity of the set of problems on ethics in CFP exams is no more difficult than 3.30 on the Level of Knowledge scale, this portion of the certification examination should be judged to be in compliance with government guidelines.

TABLE 35

MEAN RATINGS OF LEVEL OF KNOWLEDGE REQUIRED FOR NEW PLANNERS (N = 459)

Mean	Knowledge Area #	Mean (cont.)	Knowledge Area # (cont.)	Mean (cont.)	Knowledge Area # (cont.)
0.933	114	2.163	102	2.477	115
1.379	87	2.164	120	2.488	89
1.397	97	2.167	131	2.492	67
1.459	69	2.184	77	2.497	149
1.643	88	2.188	138	2.516	68
1.721	145	2.199	78	2.518	112
1.725	104	2.202	96	2.519	81
1.749	98	2.212	134	2.533	83
1.774	105	2.213	135	2.543	132
1.805	146	2.231	143	2.562	58
1.814	55	2.238	140	2.564	110
1.850	122	2.238	109	2.565	118
1.909	107	2.249	137	2.604	150
1.920	56	2.265	106	2.612	93
1.928	127	2.269	123	2.625	65
1.973	130	2.276	124	2.670	54
1.980	126	2.289	142	2.679	99
1.984	128	2.308	133	2.714	53
1.996	119	2.315	92	2.722	57
2.002	125	2.324	95	2.724	72
2.018	116	2.339	70	2.731	82
2.040	144	2.384	66	2.742	62
2.047	121	2.389	79	2.749	71
2.056	108	2.389	101	2.764	129
2.100	147	2.393	73	2.788	61
2.101	103	2.400	113	2.792	91
2.106	74	2.421	94	2.820	117
2.109	100	2.435	85	2.846	80
2.124	148	2.435	141	2.969	52
2.130	86	2.436	111	3.031	63
2.131	136	2.437	139	3.049	59
2.142	76	2.442	90	3.151	64
2.157	75	2.467	84	3.303	60

Table 36 shows the percentage of planners rating each topic of knowledge at "one or above" on the Level of Knowledge scale. The majority of respondents judged all 99 topics to be essential for new planners to know, but 35% of these planners thought that 114, Foreign taxation, was an area of information that was not needed or used by newly qualified planners.

TABLE 36

PERCENT OF PLANNERS JUDGING EACH TOPIC OF KNOWLEDGE AS ESSENTIAL FOR NEW PLANNERS

(Rated at One or Above on the Level of Knowledge Scale) (N=459)

Percent	Knowledge Area #	Percent(cont.)	Knowledge Area #(cont.)	Percent(cont.)	Knowledge Area #(cont.)
64.9	114	97.8	127	99.6	54
84.4	97	97.8	144	99.6	66
85.3	87	97.8	147	99.6	81
86.2	69	98.0	75	99.6	85
91.0	98	98.0	77	99.6	91
91.7	88	98.0	103	99.6	129
92.2	145	98.0	124	99.6	141
93.1	146	98.0	125	99.6	142
94.4	104	98.2	92	99.6	149
94.4	105	98.2	102	99.8	59
95.5	122	98.4	58	99.8	63
95.8	55	98.4	111	99.8	68
96.0	56	98.4	135	99.8	71
96.2	116	98.5	78	99.8	72
96.4	130	98.7	61	99.8	80
96.7	70	98.7	86	99.8	82
96.7	76	98.7	134	99.8	83
96.7	108	98.9	65	99.8	84
96.7	109	98.9	73	99.8	89
96.9	94	98.9	95	99.8	117
96.9	107	98.9	106	99.8	118
96.9	131	98.9	140	99.8	132
97.1	101	99.1	62	99.8	133
97.1	148	99.1	112	99.8	139
97.3	128	99.1	113	99.8	143
97.3	136	99.1	137	100.0	52
97.4	74	99.1	138	100.0	53
97.5	96	99.3	57	100.0	60
97.6	121	99.3	79	100.0	64
97.6	123	99.3	90	100.0	67
97.8	100	99.3	93	100.0	99
97.8	119	99.3	115	100.0	110
97.8	126	99.3	120	100.0	150

LINKING TOPICS OF KNOWLEDGE TO JOB FACTORS

Previous sections of this report described how the tasks performed by planners were rated on importance and level of skill required of new planners. The ratings of importance were used to factor analyze the judgments and identify the 11 fundamental factors which make up the planner's job. The report also described how ratings of importance and level of knowledge were used to specify the relevance of each topic of knowledge to the job as a whole. This segment will describe the steps taken to identify the links between each of the 99 topics of knowledge and each of the 11 job factors. Both statistical and judgmental procedures were followed to learn and document the relationships between the topics of knowledge thought to be necessary for new planners to know and the specific components of the job for which they are needed. Such were the procedures adopted to describe the job-relatedness of the knowledge needed for success on the CFP examination.

Statistical Linkages: Statistical linkages were first calculated by correlating the importance rating of each topic of knowledge with the average ratings of importance obtained on each factor (See Appendix I). It was thus possible to obtain some numerical indication of which topic of knowledge appeared to be most related to which components of the job. Ninety-two percent of the correlations-as-links were significantly different from zero at the $p < .01$ level of significance. Every one of the 99 topics was significantly linked to the majority of the 11 job components. Although these correlations ranged from zero to .69, the mean value was only .26, which portrays a weak relationship between these two sets of importance ratings. Although correlations-as-links have been used in other studies (Rosenfeld, Shimberg & Thornton, 1983; Rosenfeld, Thornton & Skurnik, 1986), the rationale for these links is obscure. Direct judgment procedures have greater credibility and, therefore, a formal rating procedure was used to obtain expert opinions of the knowledge requirements for the planner's job.

Judgmental Linkages: The Job Analysis Advisory Committee reconvened for their second meeting in Denver on June 5th and 6th, 1987. Eleven of the 12 members attended and participated in the research evaluation activities.

The committee members were apprised of the results of the survey and the outcomes of the analyses, including the factor analysis of the tasks and the ratings of the topics of knowledge. The criticality of the judgmental linking procedures about to be undertaken was discussed. The committee members were reminded that Section 14C (4) of the Uniform Guidelines on Employee Selection Procedures (EEOC , et al, 1978) state that where an examination procedure (such as, say, the CFP examination) measures knowledge, the user should show that the "...knowledge is used in and is a necessary prerequisite to performance of critical or important work behavior(s)" rather than knowledge which a new planner is expected to learn on the job after certification.

A rating form was provided to help these experts rate each one of the 99 topics of knowledge on the extent to which each topic is essential to the performance of each of the 11 job factors (Appendix J). A five-point rating scale was provided for use in rating each topic of knowledge:

(0) Of no importance or is learned on the job
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

The reliability of the ratings was estimated by analysis of variance using the intraclass correlation to describe the consistency of judgment of the raters and the results are given in Table 37.

The Advisory Committee members were very consistent and conscientious in rating the importance of each of the 99 topics to the 11 job factors. The topics within each CFP part were judged by the average rater with a reliability across the topic areas of .35 to .47, and the committee as a whole rated these topics with an overall reliability of .88. If a reliability standard of .80 was adopted, a committee of just six raters would be sufficient to obtain consistent linkages of topics of knowledge to job factors to demonstrate job-relatedness.

TABLE 37

RELIABILITY OF ADVISORY COMMITTEE RATINGS OF IMPORTANCE OF TOPICS TO JOB FACTORS (N = 11)

	CFP PART						
	I	II	III	IV	V	VI	Overall
Team Reliability	.86	.86	.90	.89	.88	.91	.88
Average Rater Reliability	.35	.36	.45	.43	.41	.47	.41

The mean ratings of the Job Analysis Advisory Committee members of the importance of the 99 topics of knowledge to the 11 job factors are contained in Appendix K. If a minimum standard of mean rating of 1.5 or higher is adopted, interpreted as "moderately important" or higher, one finds that every topic is linked to one or more job factors. With this evidence, the conclusion is compelling that every topic of knowledge included in the inventory is a job-related aspect of knowledge that is justified if included in a CFP certification examination.

Since one purpose of this analysis was to identify the factor or factors for which each topic is of greatest importance or most relevant to the job, a standard of mean rating of 2.5 or higher was adopted. This higher standard represents a judgment that the topic is either "very important" or "extremely important" as a necessary prerequisite to the performance of a critical work behavior. On this higher standard, 95 of the 99 topics prove to be job related. The four exceptions are:

69, Fidelity/surety bonding, which is "moderately important" to the performance of Factor X, Manages a Planning Practice;

97, Foreign investments and currencies, and 98, Other investment vehicles, which are both "moderately important" to factors IV through VIII, concerned with analyses of client circumstances, development and monitoring of financial plans, and implementation and monitoring of financial products; and

114, Foreign taxation, which is "moderately important" only to the performance of Factor XI, Consults with Other Professionals.

Table 38 shows the number of job factors that are linked to each topic of knowledge on the standard of mean rating of 2.5 or higher. The average number of linkages was 5.89 per topic and ranged from no strong links for four topics to the opposite extreme of two topics (60, Ethical standards and practices, and 99, Tax law overview), which were judged to be job related to all 11 critical job responsibilities.

TABLE 38

NUMBER OF LINKAGES OF JOB FACTORS TO TOPICS OF KNOWLEDGE
(Mean Rating ≥ 2.5)

Topics	Links	Topics	Links	Topics	Links	Topics	Links
52	10	82	9	112	9	142	6
53	7	83	8	113	8	143	6
54	6	84	8	114	0	144	5
55	5	85	8	115	8	145	3
56	5	86	6	116	3	146	4
57	8	87	4	117	7	147	4
58	10	88	4	118	8	148	5
59	8	89	8	119	3	149	4
60	11	90	8	120	4	150	6
61	8	91	8	121	3		
62	8	92	6	122	2		
63	7	93	6	123	6		
64	10	94	7	124	6		
65	7	95	7	125	4		
66	5	96	7	126	4		
67	6	97	0	127	3		
68	7	98	0	128	4		
69	0	99	11	129	8		
70	6	100	2	130	4		
71	8	101	8	131	7		
72	7	102	6	132	7		
73	5	103	6	133	7		
74	4	104	4	134	5		
75	5	105	4	135	5		
76	6	106	4	136	5		
77	3	107	5	137	7		
78	4	108	4	138	4		
79	6	109	5	139	7		
80	10	110	8	140	4		
81	10	111	7	141	7		

The total number of links established for each job factor on the 2.5 or higher standard is summarized below (Table 39).

It is interesting to find that Factor V, Develops Comprehensive Financial Plans, is the most universal component of the planner's job since it is related to 95 of the 99 topics of knowledge. Factor IX, Complies with Requirements, is the most specific of the job factors, with just seven linkages. The topics which were judged to be job related to Factor IX are:

TOPIC	MEAN RATING
52. Financial planning process	3.2
58. Regulatory requirements	3.6
60. Ethical standards and practices	4.0
70. Risk management: Regulatory requirements	3.2
80. Investment planning process	2.7
81. Investment planning: Regulatory requirements	3.9
99. Tax law (overview)	2.6

Job Analysis Advisory Committee members consistently rated the topics concerned with legal, ethical, and professional requirements as essential prerequisites of knowledge for new planners in their performance of the tasks concerned with legal, ethical, and professional requirements.

TABLE 39

NUMBER OF TOPICS LINKED TO EACH JOB FACTOR

FACTOR	NAME	LINKS
I	Markets Financial Planning Services	41
II	Interviews Clients	43
III	Explains Issues and Concepts	89
IV	Analyzes Client Circumstances	87
V	Develops Comprehensive Financial Plans	95
VI	Implements Financial Products	59
VII	Monitors Financial Plans	73
VIII	Monitors Financial Products	36
IX	Complies with Requirements	7
X	Manages a Planning Practice	13
XI	Consults with Other Professionals	40
	Total	583

Summary of Analysis of Topics of Knowledge: Ninety-nine topics of knowledge were rated by a sample of practicing financial planners and by the members of the Job Analysis Advisory Committee. All topics but one were found to be important to the professional requirements of qualified financial planners, and all of the topics were linked statistically and judgmentally to one or more factors of the job. The linkages established the job-relatedness of each of these topics of knowledge as a necessary prerequisite to the critical job tasks that new planners need to perform at the time they are initially certified as qualified.

IV. CONCLUSIONS AND RECOMMENDATIONS

The aims of this study were to establish (A) what qualified personal financial planners do on the job, (B) what they need to know to be competent to perform the fundamental tasks of the job at the time of initial certification, and (C) the job-relatedness of each required topic of knowledge.

To achieve these goals, a panel of experts participated in the development of a survey of a large sample of financial planners. Practicing planners were asked to rate various tasks and topics on importance and degree of capability needed at the time of initial certification. Analysis of the responses led to the following conclusions with respect to the job.

1. Fifty listed tasks, reduced by factor analysis to 11 basic tasks, are important to the work of a financial planner.
2. The 11 basic tasks are important components of the work of planners as general practitioners, regardless of differences in subgroup membership or background characteristics.
3. Ninety-eight listed topics of knowledge are important at various levels of cognitive complexity for the competent performance of new planners to serve and protect the interests of clients.
4. All of the topics are job related as they are linked to one or more basic tasks of the job. These topics are documented requirements that can be included in an examination to designate minimum qualification as a Certified Financial Planner.

EXAMINATION ISSUES

The Job Analysis Advisory Committee held a discussion in the light of the survey evidence, and a number of observations were made that could shape the structure of future CFP examinations. The Committee's opinion was that the existing program of testing and certifying knowledge through written tests, incorporating both multiple-choice and case analysis (essay) problems, was a desirable one. It was suggested that some research effort might be devoted to exploring additional, alternative modes of assessment. Among the choices mentioned were the assessment of work skills and work products by techniques such as behavior sampling or assessment center techniques. The notion of an internship requirement was considered, but it was felt that there were too few opportunities, at this stage of development of the profession, for new planners to be able to have a fair chance to obtain an appointment. The Committee unanimously agreed that if, in addition to the present measures of knowledge, a repertoire of skills also was to be tested for competence, whether through internship experience or behavior sampling, nine of the 11 fundamental tasks identified by the job analysis were considered appropriate for assessment. The two exceptions were Factor I, Markets Financial Planning Services and X, Manages a Planning Practice, which are not apparently related to the purpose of licensure or certification or the protection of the public. However, if a subsequent analysis of the purpose of the CFP examination program reveals that these skills are not just relevant but also essential to provide adequate service to the public, they could be included in future assessments. The recommended order of a structured performance assessment, which would demonstrate the skills of a qualified planner, would be as follows:

1. Demonstrates competence in complying with legal, ethical, and professional requirements and standards.
2. Interviews clients to collect and evaluate information about client goals and circumstances.
3. Explains issues and concepts related to estate planning, retirement programs, tax planning, risk management, investments, and other aspects of financial planning.
4. Analyzes client circumstances, goals, and needs in relation to means.
5. Develops comprehensive financial plans and strategies to meet client goals.
6. Communicates with other professionals to obtain information and coordinate client financial plans.
7. Selects and recommends financial products and carries out buy/sell orders.
8. Monitors financial plans to ensure a match with client circumstances.
9. Reviews and evaluates alternative financial products, client strategies and courses of action.

CORE CURRICULUM

Although this study was aimed at documenting the job-related knowledge requirements for CFP examinations, it became apparent that the evidence obtained was equally valuable for the development of the core content specifications for a model CFP curriculum. The ratings of importance of the topics of knowledge and the rating of the level of knowledge needed by new planners clearly define what should be taught in a CFP learning program to enable a student to become a Certified Financial Planner. The specific, essential contents of a six-part program of study are defined by the list of topics of knowledge given in the inventory and used in this job analysis study. The main modification required for a core curriculum is to add survey topics of the CFP core content to the Part I topic list. (The survey topics of risk management, investment planning, tax planning, retirement planning, and estate planning were deleted from the inventory to avoid redundancy.)

Some members of the Advisory Committee observed that knowledge of accounting, economics, business law, and other related courses would be an advantage to a student learning to become a financial planner. However, the job analysis survey identified the core topics which are essential, job-related and documented as prerequisites to certification. Any additional topics that are added, now or later, to the core requirements would similarly need to be documented as related to the work of practicing planners. Academic program developers may be encouraged to instruct their students in more than just the minimum professional requirements for certification. But, their core curriculum must, at a minimum, include the topics of knowledge found to be important at the levels of cognitive complexity reported by the participating planners.

RECOMMENDATIONS

The information in this research study was obtained by several methods; published and unpublished literature was reviewed; financial planners and supervisors were interviewed; a survey was made of practitioners in the field; and advisory committees of experts were convened to canvas opinion and evolve a consensus on several important issues. As a result of these efforts, a number of recommendations were made which are vital to the financial planning profession.

1. The full range of important tasks performed by Certified Financial Planners working as general practitioners should be described in the following terms:
    A. Complies with Requirements
    B. Markets Financial Planning Services
    C. Interviews Clients
    D. Explains Issues and Circumstances
    E. Analyzes Client Circumstances
    F. Develops Comprehensive Financial Plans
    G. Consults with Other Professionals
    H. Implements Financial Products
    I. Monitors Financial Plans
    J. Monitors Financial Products
    K. Manages a Planning Practice

2. Nine of the above duties (excepting B, Markets Financial Planning Services and K, Manages a Planning Practice) represent tasks which a newly qualified financial planner should be competent to perform at the time of initial certification.

3. Ninety-eight topics that were identified as important job-related areas of knowledge should be mastered at specified levels of cognitive complexity by new planners to be certified as competent to perform the work of a Certified Financial Planner.

4. Future CFP examinations should assess mastery of the above topics at the specified levels of cognitive complexity.

5. The core curriculum for CFP education and training programs should cover the 98 important topics as well as survey topics of the core of financial planning; risk management, investment planning, tax planning, retirement planning, and estate planning.

6. Alternative means for assessing financial planning skills as well as knowledge should be explored.

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V. REFERENCES

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APPENDIX A

FINANCIAL PLANNER INTERVIEW QUESTIONNAIRE

JOB ANALYSIS QUESTIONNAIRE

Respondent's Name:______________________________ Years As A Financial Planner:__________

Registered With The SEC As An Investment Advisor?__________Yes ____________No

Position Title:____

Type Of Practice: ____Fee Only _____Commission Only _____Fee & Commission

Office Address:____ Office Phone:___________________

Immediate Supervisor's Name:________________________ Supervisor's Title:__________________

Gender: Male____________ Female____________ Age:____________

Ethnicity: White____________ Black____________ Hispanic____________ Other_____________

	High School	College (Years)	Highest Degree
Your Education:	9 10 11 12	1 2 3 4 5 6 7 8	_______________________________

Other Related Training Prior To Employment In Current Position:__________________________

Organization Size:

Total Number
Of Employees:_____________

Annual Organizational Operating Budget:

_______ Under $100,000

_______ $100,000 to $1,000,000

_______ $1,000,000 to $10,000,000

_______ $10,000,000 to $100,000,000

_______ Over $100,000,000

Interviewer:__________________________________ Date:_____________________________

Place Of Interview:___________________________

DESCRIPTION OF DUTIES PERFORMED

What tasks do you carry out to accomplish your job? What duties do you perform? If you divided your work into the 15 to 20 most important things you do, how would you concisely describe them? Include important duties performed away from the office that are part of the job. Also indicate the approximate percentage of time spent performing these duties. First, describe the most important things you do, then those that are of somewhat lesser importance, etc. Use specific action verbs, such as "Write, File, Explain", etc.; avoid "Prepare, Handle", etc.

Percent of Time	Duties

Percent of Time	Duties (continued). Please include, among the important things you do, the equipment you work with, the reports you prepare, the people you deal with in and out of the office, the material resources you are responsible for and the physical demands of the job. Have you considered the duties which require your maximum effort to perform? Duties

KNOWLEDGE AREAS REQUIRED

What are the most important knowledge areas (e.g., subject matter, technical or specialized knowledge, practices, procedures, and other guidelines) that you use in the performance of the duties you listed? Qualify the degree of knowledge as "general", "fairly complete", or "extensive" (e.g., extensive knowledge of income tax regulations, general knowledge of law, etc.).

Degree of Knowledge	Description of Knowledge Areas

Degree of Knowledge	Description of Knowledge Areas (continued) Have you remembered to include those things that were most difficult to learn?

ABILITIES AND SKILLS REQUIRED

What are the most important abilities and skills required for the position (e.g., ability to interview clients, to write reports, to evaluate investment vehicles, to identify client problems)? Please list the important abilities and skills every new financial planner must have to be at least minimally successful.

MAJOR PROBLEMS TO BE SOLVED

What are the major problems which have to be solved on the job? How do you solve them? What decisions do you make? What guidelines or sources of information are used?

Problem	Solutions/Decisions	Guidelines or Sources Used

1^6

MINIMUM EDUCATION/TRAINING

What is the minimum level of education/training and experience you feel is needed for acceptable performance of the duties and responsibilities of the position? Include licenses and/or certificates, special courses, etc.

TIME TO REACH EFFICIENCY

How much time did it take you to reach a satisfactory level of efficiency in the position and what kind of on-the-job training did you receive to reach this level?

GENERAL COMMENTS

Is there anything else pertinent that you feel has not been covered or needs to be know about the position to enable us to have a full description of the important duties and capabilities required for your job?

Please return to:

Dr. Larry Skurnik
Measurement Research Unit
College For Financial Planning
9725 E. Hampden Avenue
Denver, CO 80231
(303) 755-7101

THANK YOU FOR YOUR COOPERATION.

APPENDIX B

DRAFT INVENTORY OF THE PROFESSIONAL RESPONSIBILITIES AND KNOWLEDGE REQUIREMENTS OF FINANCIAL PLANNERS

INVENTORY OF THE
PROFESSIONAL RESPONSIBILITIES AND
KNOWLEDGE REQUIREMENTS OF
FINANCIAL PLANNERS

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COLLEGE FOR FINANCIAL PLANNING
9725 E. HAMPDEN AVENUE
DENVER, COLORADO 80231
(303) 755-7101

INSTRUCTIONS FOR COMPLETING THE INVENTORY

This survey is designed to find out what financial planners do in their day-to-day work activities and which of these activities are most important.

We also want to learn what knowledge and skills financial planners need to use in in order to (1) serve clients properly and (2) protect the public interest.

The information obtained from this survey will be useful in planning training for new planners and in developing examinations for their professional certification.

This inventory has three parts:

Part I deals with the major tasks or duties of your job. In this part you are to read each task listed and make some judgments which will help to describe (1) what you do on the job and (2) what new planners do.

Part II deals with the areas of knowledge used by professional financial planners. In responding, you are to give your judgment as to the importance of each knowledge area (1) for you and (2) for newly qualified financial planners.

Part III includes several questions about your background and personal characteristics that will be used to help us analyze the results for different groups.

Please answer all of the questions. The information you provide will remain anonymous and individual responses will not be revealed. Your full cooperation in completing this survey will be appreciated.

PART I - RESPONSIBILITIES

USING THE RATING SCALES

For each task in Part I, you are asked to make two judgments using the rating scales given below. Please circle the number in each column that best expresses your judgment about that task.

IMPORTANCE FOR YOU: Regardless of the amount of time you spend doing it, how important is this activity in performing your job?

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

SKILL OF NEW PLANNERS: How essential is it that a newly qualified financial planner be able to perform this task at the time of initial certification?

(0) Not performed by newly qualified planners
(1) Competence not essential at the time of initial certification
(2) Some degree of competence is essential
(3) Substantial competence is necessary
(4) A very high level of competence is essential

EXAMPLE

Suppose that a financial planner must be able to read The Wall Street Journal but does not need to know how to manage a corporate finance department at the time of initial certification. Your ratings might look like this:

TASK	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
A) Read The Wall Street Journal	0 1 2 [✓ 3] 4	0 1 [✓ 2] 3 4
B) Manage a Corporate Finance Department	[✓ 0] 1 2 3 4	[✓ 0] 1 2 3 4

PLEASE CIRCLE YOUR RATINGS CLEARLY AND RATE EVERY ITEM.

IMPORTANCE FOR YOU
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

SKILL OF NEW PLANNERS
(0) Not performed by new planners
(1) Competence not essential at time of certification
(2) Some degree of competence essential
(3) Substantial competence is necessary
(4) Very high level of competence is essential

A. EVALUATING CLIENT NEEDS

A financial planner meets with prospective clients, collects and evaluates information about client needs, objectives and circumstances and prepares recommendations.

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
1. Interviews prospective clients about short-range and long-range financial goals...............	0 1 2 3 4	0 1 2 3 4
2. Explores client background and attitudes through interview/questionnaire that bear on financial goals and needs......	0 1 2 3 4	0 1 2 3 4
3. Obtains information from client through interview/questionnaire about financial resources and obligations that pertain to a financial plan.................	0 1 2 3 4	0 1 2 3 4
4. Obtains and analyzes client records and documents that describe financial circumstances (e.g. tax returns, investment records, insurance policies, property holdings, buy-sell agreements, pension documents, wills, trusts, etc.)............	0 1 2 3 4	0 1 2 3 4

Planners use a variety of techniques to prospect for clients including:

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
5. Solicitation of referrals from other professionals and clients...	0 1 2 3 4	0 1 2 3 4
6. Personal presentations (e.g. face-to-face contacts, talks, lectures, seminars)...........	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILLS OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Very high level of competence is essential

	IMPORTANCE	SKILL OF
7. Published media (e.g. writing articles, books, newsletters, advertisements)................	0 1 2 3 4	0 1 2 3 4
8. Audio-visual media (e.g. appearing on television, recording audio tapes)...................	0 1 2 3 4	0 1 2 3 4

B. EXPLAINING FINANCIAL PLANNING CONCEPTS AND CLARIFYING CLIENT GOALS

A financial planner explains the implications of estate planning, retirement benefits, tax planning, insurance coverages, investments and other concepts of asset management and financial planning and clarifies client goals.

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
9. Explains issues and concepts related to risk management including self insurance, life, accident, health, liability, property, casualty, and other aspects of insurance planning..	0 1 2 3 4	0 1 2 3 4
10. Explains issues and concepts related to investments including stocks, bonds, property, collectibles and other aspects of investment planning............	0 1 2 3 4	0 1 2 3 4
11. Explains issues and concepts related to local, state and federal taxes, tax shelters and other aspects of tax planning....	0 1 2 3 4	0 1 2 3 4
12. Explains issues and concepts related to retirement including benefits, Social Security, employer pension programs and other related aspects of retirement planning..................	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Very high level of competence is essential

	IMPORTANCE	SKILL OF
13. Explains issues and concepts related to wills, trusts and estate plans including aspects of alternative legal agreements and estate plans..................	0 1 2 3 4	0 1 2 3 4
14. Explains issues and concepts related to economics, personal finance, asset management and the time value of money........	0 1 2 3 4	0 1 2 3 4
15. Explains issues and concepts that relate financial goals and resources to risk management, investments, tax planning, retirement and estate planning.	0 1 2 3 4	0 1 2 3 4
16. Identifies problems between client resources and objectives and describes choices which clarify client goals.................	0 1 2 3 4	0 1 2 3 4
17. Explains fee structure, fiduciary responsibilities and relationship of financial planner to client and provides full and fair disclosure of material facts and opinions about recommended products and services....	0 1 2 3 4	0 1 2 3 4
18. Communicates with client advisors (accountant, attorney, others) to gather/verify client information.....	0 1 2 3 4	0 1 2 3 4

C. ANALYZING INFORMATION AND PREPARING COMPREHENSIVE FINANCIAL PLANS

A financial planner analyzes and evaluates information about clients, financial products and services and prepares comprehensive financial plans.

19. Analyzes client insurance risks and present coverages and prepares specific proposals to serve client requirements......................	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU		SKILL OF NEW PLANNERS	
(0)	Of no importance	(0)	Not performed by new planners
(1)	Of little importance	(1)	Competence not essential at certification
(2)	Moderately important	(2)	Some degree of competence essential
(3)	Very important	(3)	Substantial competence is necessary
(4)	Extremely important	(4)	Very high level of competence is essential

		IMPORTANCE	SKILL OF
20.	Analyzes client investments, asset ownership and financial asset mix and prepares specific investment proposals for client consideration..	0 1 2 3 4	0 1 2 3 4
21.	Analyzes client tax obligations and financial position and prepares specific proposals which fulfill tax obligations and client requirements...............	0 1 2 3 4	0 1 2 3 4
22.	Analyzes client retirement plans, benefits, resources and prepares specific proposals for achieving client goals....	0 1 2 3 4	0 1 2 3 4
23.	Evaluates client estate requirements, plans, and makes specific proposals for client consideration..................	0 1 2 3 4	0 1 2 3 4
24.	Prepares financial statement of financial position and cash flow......	0 1 2 3 4	0 1 2 3 4
25.	Prepares comprehensive custom-tailored financial plan to meet the goals and objectives of the client.............	0 1 2 3 4	0 1 2 3 4
26.	Prepares specific proposals that may include balance sheets, projections, analyses and recommendations for general asset management or for specific financial decisions to serve client requirements...................	0 1 2 3 4	0 1 2 3 4
27.	Develops financial planning strategies that meet client requirements.........	0 1 2 3 4	0 1 2 3 4
28.	Reviews and evaluates computerized financial plan to ensure match with client goals and resources............	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Very high level of competence is essential

D. IMPLEMENTING AND MONITORING COMPREHENSIVE FINANCIAL PLANS

A financial planner carries out client requests to implement financial plans, monitors progress of plan and provides services to meet client requirements.

		IMPORTANCE	SKILL OF
29.	Carries out client requests to purchase/ sell financial products................	0 1 2 3 4	0 1 2 3 4
30.	Advises and counsels clients on personal budgeting, planning of expenditures and alternative allocations of financial assets....................	0 1 2 3 4	0 1 2 3 4
31.	Cooperates with client advisors (accountant, attorney, insurance specialist, others) to implement financial plan......................	0 1 2 3 4	0 1 2 3 4
32.	Reviews and evaluates (Due Diligence) soundness of financial products and their suitability for client personal and financial requirements...............	0 1 2 3 4	0 1 2 3 4
33.	Advises and counsels clients on financial soundness of recommendations and implications of alternative courses of action.....................	0 1 2 3 4	0 1 2 3 4
34.	Reviews and evaluates changing laws and economic circumstances and recommends revised financial plans which meet new requirements...............	0 1 2 3 4	0 1 2 3 4
35.	Reviews and evaluates changes in client's personal circumstances (birth/death, illness, divorce, retirement, etc.) and makes recommendations which meet new requirements.....................	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU		SKILL OF NEW PLANNERS	
(0)	Of no importance	(0)	Not performed by new planners
(1)	Of little importance	(1)	Competence not essential at certification
(2)	Moderately important	(2)	Some degree of competence essential
(3)	Very important	(3)	Substantial competence is necessary
(4)	Extremely important	(4)	Very high level of competence is essential

	IMPORTANCE	SKILL OF
36. Meets with client periodically to ensure continued relevance of and compliance with requirements of client financial plan........................	0 1 2 3 4	0 1 2 3 4
37. Monitors and evaluates financial soundness of recommendations and provides timely advice to clients.....	0 1 2 3 4	0 1 2 3 4
38. Evaluates the merits of new and existing financial products to ensure soundness of recommendations..........	0 1 2 3 4	0 1 2 3 4
39. Identifies, tracks, and evaluates financial products, services and sources of information to determine the likelihood of assumed benefits....	0 1 2 3 4	0 1 2 3 4

E. ESTABLISHING AND MAINTAINING ACCURATE RECORDS AND PERFORMING OTHER PROFESSIONAL FUNCTIONS

A financial planner prepares and maintains accurate records and performs other clerical, administrative or professional functions to implement financial planning processes.

	IMPORTANCE	SKILL OF
40. Keeps abreast of financial developments and regulatory requirements to ensure compliance with legal, ethical, and professional requirements and standards........................	0 1 2 3 4	0 1 2 3 4
41. Obtains and maintains legal registrations and keeps accurate records to ensure compliance with state and federal requirements..............	0 1 2 3 4	0 1 2 3 4
42. Reads professional publications, participates in professional organizations and programs, attends seminars, conventions and engages in other professional activities to keep up-to-date	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU		SKILL OF NEW PLANNERS	
(0)	Of no importance	(0)	Not performed by new planners
(1)	Of little importance	(1)	Competence not essential at certification
(2)	Moderately important	(2)	Some degree of competence essential
(3)	Very important	(3)	Substantial competence is necessary
(4)	Extremely important	(4)	Very high level of competence is essential

	IMPORTANCE	SKILL OF
43. Reviews and evaluates financial reports, and talks with product representatives and specialists to meet legal, ethical, and profesional requirements of recommendations..............................	0 1 2 3 4	0 1 2 3 4
44. Supervises the work of paraplanner, clerical or other administrative staff to ensure effectiveness of operations...	0 1 2 3 4	0 1 2 3 4
45. Collaborates with colleagues and other professionals to coordinate the development and implementation of financial plans..................................	0 1 2 3 4	0 1 2 3 4
46. Writes letters, prepares, and files records and performs other clerical or administrative duties to carry out the financial planning process............	0 1 2 3 4	0 1 2 3 4

PART II - KNOWLEDGE AREAS

This section deals with knowledge areas related to the field of personal financial planning.

On the basis of your experience as a qualified financial planner, please rate each of the knowledge areas listed using the two scales provided. You are to rate each knowledge on its importance for you and the level required of newly qualified planners. Please circle the number that best expresses your judgments about each knowledge area.

IMPORTANCE FOR YOU

How important is an understanding of this knowledge area to the competent performance of your job?

(0) of no importance
(1) of little importance
(2) moderately important
(3) very important
(4) extremely important

LEVEL OF KNOWLEDGE REQUIRED OF NEWLY QUALIFIED PLANNERS

At which of the following levels is this knowledge or skill needed or used by newly qualified planners?

(0) Not needed or used by newly qualified planners
(1) Facts/Terms: recognizes or remembers terminology, trends, and other specific facts
(2) Comprehension/Application: grasps facts and concepts and applies them to solve problems, draw conclusions and recognize consequences
(3) Analysis/Synthesis: breaks down or puts together ideas and information to clarify relationships and produce conclusions and plans
(4) Evaluation: assesses the validity of information and issues conclusions and recommendations in terms of external evidence and internal criteria

Using the scales below, please circle the number in each column that best describes your judgment.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

I - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Financial planning process	0 1 2 3 4	0 1 2 3 4
2. Financial statements	0 1 2 3 4	0 1 2 3 4
3. Cash management/budgeting	0 1 2 3 4	0 1 2 3 4
4. Monetary/fiscal policy	0 1 2 3 4	0 1 2 3 4
5. Business cycles/trends	0 1 2 3 4	0 1 2 3 4
6. Professional requirements	0 1 2 3 4	0 1 2 3 4
7. Regulatory requirements	0 1 2 3 4	0 1 2 3 4
8. Time value of money	0 1 2 3 4	0 1 2 3 4
9. Ethical practice	0 1 2 3 4	0 1 2 3 4
COMMUNICATION SKILLS		
10. Reading/writing	0 1 2 3 4	0 1 2 3 4
11. Listening/talking/speaking	0 1 2 3 4	0 1 2 3 4
12. Personal guidance and counseling	0 1 2 3 4	0 1 2 3 4
13. Psychology of personal financial planning	0 1 2 3 4	0 1 2 3 4
14. Other (please specify and rate____________________	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

II - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Exposures and self insurance	0 1 2 3 4	0 1 2 3 4
2. Risk management	0 1 2 3 4	0 1 2 3 4
3. Insurance: needs/process/ products/contracts	0 1 2 3 4	0 1 2 3 4
4. Fidelity/surety bonding	0 1 2 3 4	0 1 2 3 4
5. Regulatory requirements	0 1 2 3 4	0 1 2 3 4
6. Life insurance	0 1 2 3 4	0 1 2 3 4
7. Accident and health insurance	0 1 2 3 4	0 1 2 3 4
8. Property insurance	0 1 2 3 4	0 1 2 3 4
9. Casualty insurance	0 1 2 3 4	0 1 2 3 4
10. Business insurance	0 1 2 3 4	0 1 2 3 4
11. Social insurance	0 1 2 3 4	0 1 2 3 4
12. Retirement insurance	0 1 2 3 4	0 1 2 3 4
13. Tax sheltered insurance	0 1 2 3 4	0 1 2 3 4
14. Group/individual insurance	0 1 2 3 4	0 1 2 3 4
15. Policy provisions/options/ benefits	0 1 2 3 4	0 1 2 3 4

III - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Investment planning process	0 1 2 3 4	0 1 2 3 4
2. Regulatory requirements	0 1 2 3 4	0 1 2 3 4
3. Risk/return characteristics	0 1 2 3 4	0 1 2 3 4
4. Fixed-income securities	0 1 2 3 4	0 1 2 3 4
5. Government securities	0 1 2 3 4	0 1 2 3 4
6. Common stock	0 1 2 3 4	0 1 2 3 4
7. Investment analysis	0 1 2 3 4	0 1 2 3 4
8. Convertible securities	0 1 2 3 4	0 1 2 3 4
9. Futures, puts/calls	0 1 2 3 4	0 1 2 3 4
10. Physical assets and collectibles	0 1 2 3 4	0 1 2 3 4
11. Real estate	0 1 2 3 4	0 1 2 3 4
12. Investment companies	0 1 2 3 4	0 1 2 3 4
13. Insurance-based investments	0 1 2 3 4	0 1 2 3 4
14. Mutual funds	0 1 2 3 4	0 1 2 3 4
15. Portfolio construction/management	0 1 2 3 4	0 1 2 3 4
16. The economy and investment strategies	0 1 2 3 4	0 1 2 3 4

IV - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Federal tax law (overview)	0 1 2 3 4	0 1 2 3 4
2. Individual income taxation	0 1 2 3 4	0 1 2 3 4
3. Use of business form to manage tax liability	0 1 2 3 4	0 1 2 3 4
4. Tax Accounting: methods and periods	0 1 2 3 4	0 1 2 3 4
5. Property Transactions: acquisition, maintainence and disposition	0 1 2 3 4	0 1 2 3 4
6. Family tax planning	0 1 2 3 4	0 1 2 3 4
7. Marital/Separation/Divorce Tax	0 1 2 3 4	0 1 2 3 4
8. Compensation Tax Planning	0 1 2 3 4	0 1 2 3 4
9. Direct participation programs for tax and investment planning	0 1 2 3 4	0 1 2 3 4
10. Selected direct participation programs (real estate, oil and gas/leasing/research)	0 1 2 3 4	0 1 2 3 4
11. Life insurance, annuity, security, tax planning	0 1 2 3 4	0 1 2 3 4
12. Special tax calculations (estates, trusts, alternative minimums)	0 1 2 3 4	0 1 2 3 4
13. Tax traps/tax planning pitfalls	0 1 2 3 4	0 1 2 3 4
14. Personal management of tax liabilities	0 1 2 3 4	0 1 2 3 4

V - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Tax-deferred retirement plans: IRA, TSA, SEP	0 1 2 3 4	0 1 2 3 4
2. Computation of funds needed to meet objectives	0 1 2 3 4	0 1 2 3 4
3. Qualified retirement plans (eligibility, ERISA requirements, integration)	0 1 2 3 4	0 1 2 3 4
4. Defined contribution plans (money purchase, profit-sharing, 401k, stock bonus)	0 1 2 3 4	0 1 2 3 4
5. Defined benefit plans	0 1 2 3 4	0 1 2 3 4
6. Target benefit plans	0 1 2 3 4	0 1 2 3 4
7. Distribution options for qualified plans	0 1 2 3 4	0 1 2 3 4
8. Qualified retirement plan selection	0 1 2 3 4	0 1 2 3 4
9. Social security and medicare	0 1 2 3 4	0 1 2 3 4
10. Group life insurance plans and income tax consequences	0 1 2 3 4	0 1 2 3 4
11. Group health insurance (Medicare and disability), benefits and income tax consequences	0 1 2 3 4	0 1 2 3 4
12. Nonqualified deferred compensation plans and income tax consequences	0 1 2 3 4	0 1 2 3 4

VI - ESTATE PLANNING

Financial planners understand the estate planning process.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

	IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
1. Estate planning process	0 1 2 3 4	0 1 2 3 4
2. Federal estate taxation	0 1 2 3 4	0 1 2 3 4
3. Federal gift taxation	0 1 2 3 4	0 1 2 3 4
4. Gross estate valuation and exclusions	0 1 2 3 4	0 1 2 3 4
5. Wills, intestacy, probate	0 1 2 3 4	0 1 2 3 4
6. Trusts	0 1 2 3 4	0 1 2 3 4
7. Ownership of property	0 1 2 3 4	0 1 2 3 4
8. Will substitutes/probate avoidance	0 1 2 3 4	0 1 2 3 4
9. Life insurance contracts	0 1 2 3 4	0 1 2 3 4
10. Lifetime transfers, gifts to minors	0 1 2 3 4	0 1 2 3 4
11. Unified credit, marital deduction, special power of appointment	0 1 2 3 4	0 1 2 3 4
12. Charitable transfers	0 1 2 3 4	0 1 2 3 4
13. Intrafamily business and property transfers	0 1 2 3 4	0 1 2 3 4
14. Postmortem planning	0 1 2 3 4	0 1 2 3 4

III - BACKGROUND INFORMATION

Please answer the following items in order to describe your background and professional activities. (circle the number of your answer)

1. Gender
    1. Male
    2. Female

2. Which one of the following best describes your social/ethnic background?
    1. Black
    2. White (non-Hispanic)
    3. Hispanic
    4. Native American/Alaskan native
    5. Asian or Pacific Islander
    6. Other______________________(please specify)

3. For how many years have you been a qualified financial planner?
    1. not qualified or certified
    2. less than 2 years
    3. 2-5 years
    4. 6-10 years
    5. 11-15 years
    6. 16 or more years

4. What proportion of your work time do you spend doing personal financial planning?
    1. Less than 25%
    2. 25% - 50%
    3. 51% - 75%
    4. Over 75%

5. Which category below best describes the type of firm with which you are currently employed or associated?
    1. Full-service financial planning firm
    2. Commercial bank
    3. Savings and loan institution
    4. Securities brokerage
    5. Insurance company
    6. Educational institution
    7. Accounting firm
    8. Other (please specify)____________________________

6. In which area do you mainly conduct your financial planning activities? (circle one only)

1. Alabama
2. Alaska
3. Arizona
4. Arkansas
5. California
6. Colorado
7. Connecticut
8. Delaware
9. Florida
10. Georgia
11. Hawaii
12. Idaho
13. Illinois
14. Indiana
15. Iowa
16. Kansas
17. Kentucky
18. Louisiana
19. Maine
20. Maryland
21. Massachusetts
22. Michigan
23. Minnesota
24. Mississippi
25. Missouri
26. Montana
27. Nebraska
28. Nevada
29. New Hampshire
30. New Jersey
31. New Mexico
32. New York
33. North Carolina
34. North Dakota
35. Ohio
36. Oklahoma
37. Oregon
38. Pennsylvania
39. Rhode Island
40. South Carolina
41. South Dakota
42. Tennessee
43. Texas
44. Utah
45. Vermont
46. Virginia
47. Washington
48. West Virginia
49. Wisconsin
50. Wyoming

51. Other ____________________
(please specify)

7. Which of the following professional designations do you now hold? (circle all that apply)

1. CFP
2. CFA
3. ChFC
4. CLU
5. CMI
6. CPA
7. CPCU
8. EA
9. JD
10. RHU

8. Which of the following licenses or registrations do you currently hold? (circle all that apply)

1. NYSE
2. NASD
3. LIFE
4. HEALTH
5. P & C
6. REAL ESTATE

9. Approximately how many years have you been employed in the financial services industry in a professional capacity?

____________years

10. Approximately what percentage of your total compensation in 1986 was derived from each of the following sources?

1. retainer ____________%
2. salary ____________%
3. commission ____________%
4. bonus ____________%
5. investment ____________%
6. other (specify) ________________ ____________%

11. Which range represents the total compensation you have earned in the past year?

1. less than $25,000
2. $25,000 - $50,000
3. $50,001 - $75,000
4. $75,001 - $100,000
5. $100,001 - $150,000
6. $150,001 - $200,000
7. $200,001 - $300,000
8. over $300,000

TASKS

Please use this space to list important additional tasks not included in the questionnaire.

KNOWLEDGE AREAS

Please use this space to list any important additional knowledge areas not covered in the questionnaire.

Thank you for your cooperation. Please place the questionnaire in the envelope provided and return it to:

Dr. Larry Skurnik
College for Financial Planning
9725 E. Hampden Avenue
Denver, CO 80231

APPENDIX C

LETTER TO PLANNERS SELECTED FOR SURVEY

INVENTORY OF THE PROFESSIONAL RESPONSIBILITIES AND KNOWLEDGE REQUIREMENTS OF FINANCIAL PLANNERS

COLLEGE FOR FINANCIAL PLANNING

January, 1987

To Selected Financial Planners:

You have been chosen to participate in an important national study of the professional work of financial planners. Your name was randomly selected from lists of members of the IAFP Registry, the National Association of Personal Financial Advisors, and of graduates of the College for Financial Planning and other Colleges. The study is designed to identify the more important tasks that planners perform and the knowledge needed to perform the professional work in a competent fashion. This job analysis research, which is endorsed by the International Board of Standards and Practices for Certified Financial Planners, aims to validate present and future CFP examinations and also to identify teaching program requirements. This work has been guided by an advisory panel of experts (list of Advisory Committee Members is attached).

We would appreciate your taking the time (about 30-45 minutes) to complete the Job Analysis Inventory for Financial Planners and return it within about one week from the time you received it. Please return the Inventory, sealed in the enclosed, stamped and addressed return envelope by February 1, 1987.

Your responses will be kept confidential. All results will be analyzed and only group results will be reported; no individuals will be identified. When the study is completed, a report of the findings will be published.

This project will make an important contribution to the future of the financial planning profession. You can play a part by completing and returning the Inventory.

Thank you for your co-operation.

Yours faithfully,

Larry Skurnik

Larry Skurnik, Ph.D.
Measurement Research Specialist

Attach.

9725 East Hampden Avenue / Denver, Colorado 80231 / 303-755-7101

ADVISORY COMMITTEE MEMBERS

Mr. Ben Baldwin, M.S.F.S., M.S., CFP, CLU, ChFC

Ms. Connie Chen, CFP

Mr. Frank Doe, M.B.A., CFP

Mr. Harold Evensky, M.S., CFP

Mr. Richard Knight, B.A., CFP

Mr. Stephan R. Leimberg, JD, CLU

Mr. Bob Martel, M.S., CFP, CLU, ChFC

Mr. Thomas McGrath, CFP, CLU, ChFC

Mr. James C. Mulder, JD, CFP

Ms. Dorlene Shane, B.S., CFP

Mr. D. Michael Vaughn, D.B.A., CPA

Mr. Aivars Ziedens, M.S.F.S., CFP, CLU, ChFC, G.R.I.

INVENTORY OF THE PROFESSIONAL RESPONSIBILITIES AND KNOWLEDGE REQUIREMENTS OF FINANCIAL PLANNERS

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COLLEGE FOR FINANCIAL PLANNING
9725 E. HAMPDEN AVENUE
DENVER, COLORADO 80231
(303) 755-7101

INSTRUCTIONS FOR COMPLETING THE INVENTORY

This survey is designed to find out what financial planners do in their day-to-day work activities and which of these activities are most important.

We want to learn what you do and what you need to know and also what the new planner does and needs to know. The new planner is one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision. That planner, in effect, may be "flying solo."

We need to learn what knowledge and skills financial planners need to use in order to (1) serve clients properly and (2) protect the public interest.

The information obtained from this survey will be useful in planning training for new planners and in developing examinations for their professional certification.

This inventory has three parts:

> Part I deals with the major tasks or duties of your job. In this part you are to read each task listed and make some judgments which will help to describe (1) what you do on the job and (2) what new planners do.
>
> Part II deals with the areas of knowledge used by professional financial planners. In responding, you are to give your judgment as to the importance of each knowledge area (1) for you and (2) for new financial planners.
>
> Part III includes several questions about your background that will be used to help us analyze the results for different groups.

Please answer all of the questions. The information you provide will remain anonymous and individual responses will not be revealed. Your full cooperation in completing this survey will be appreciated. The results will be published.

PART I - RESPONSIBILITIES

USING THE RATING SCALES

For each task in Part I, you are asked to make two judgments using the rating scales given below. Please circle the number in each column that best expresses your judgment about that task.

IMPORTANCE FOR YOU: Regardless of the amount of time you spend doing it, how important is this activity in performing your job?

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

SKILL OF NEW PLANNERS: * How essential is it that a newly qualified financial planner be able to perform this task at the time of initial certification?

(0) Not performed by newly qualified planners
(1) Competence not essential at the time of initial certification
(2) Some degree of competence is essential
(3) Substantial competence is necessary
(4) Full competence is essential

* The new planner is one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision.

EXAMPLE

Suppose that a financial planner must be able to read The Wall Street Journal but does not need to know how to manage a corporate finance department at the time of initial certification. Your ratings might look like this:

TASK	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
A) Read The Wall Street Journal	0 1 2 [✓ 3] 4	0 1 [✓ 2] 3 4
B) Manage a Corporate Finance Department	[✓ 0] 1 2 3 4	[✓ 0] 1 2 3 4

PLEASE CIRCLE YOUR RATINGS CLEARLY AND RATE EVERY ITEM.

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at time of certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

A. MARKETING FINANCIAL PLANNING SERVICES

Planners use a variety of techniques to secure and serve clients.

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
1. Obtains referrals from other professionals and clients	0 1 2 3 4	0 1 2 3 4
2. Makes personal presentations (e.g. face-to-face contacts, talks, lectures, seminars)	0 1 2 3 4	0 1 2 3 4
3. Uses published media (e.g. writing articles, books, newsletters, advertisements)	0 1 2 3 4	0 1 2 3 4
4. Audio-visual media (e.g. appearing on television, recording audio tapes)	0 1 2 3 4	0 1 2 3 4

B. EVALUATING CLIENT NEEDS

A financial planner meets with prospective clients, collects and evaluates information about client needs, objectives and circumstances and prepares recommendations.

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
5. Interviews prospective clients about short-range and long-range financial goals	0 1 2 3 4	0 1 2 3 4
6. Explores client background and attitudes through interview/questionnaire that bear on personal and financial goals and needs	0 1 2 3 4	0 1 2 3 4
7. Obtains information from client through interview/questionnaire about financial resources and obligations that pertain to a financial plan	0 1 2 3 4	0 1 2 3 4
8. Collects and analyzes client records and documents that describe financial circumstances (e.g. tax returns, investment records, insurance policies, property holdings, buy-sell agreements, pension documents, wills, trusts, etc.)	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

C. EXPLAINING FINANCIAL PLANNING CONCEPTS AND CLARIFYING CLIENT GOALS

A financial planner explains the implications of estate planning, retirement benefits, tax planning, insurance coverages, investments and other concepts of asset management and financial planning and clarifies client goals.

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
9. Explains issues and concepts related to the overall financial planning process.....	0 1 2 3 4	0 1 2 3 4
10. Explains issues and concepts related to risk management including self insurance, life, accident, health, liability, property, casualty, and other aspects of insurance planning..............................	0 1 2 3 4	0 1 2 3 4
11. Explains issues and concepts related to investments including stocks, bonds, property, collectibles and other aspects of investment planning......................	0 1 2 3 4	0 1 2 3 4
12. Explains issues and concepts related to local, state and federal taxes, tax-favored products and other aspects of tax planning..	0 1 2 3 4	0 1 2 3 4
13. Explains issues and concepts related to retirement including benefits, Social Security, employer pension programs and other related aspects of retirement planning..............	0 1 2 3 4	0 1 2 3 4
14. Explains issues and concepts related to wills, trusts and estate plans including aspects of alternative legal agreements and estate plans.............................	0 1 2 3 4	0 1 2 3 4
15. Explains issues and concepts related to economics, the time value of money, asset management, personal finance (e.g. budgeting, cash flow)..................................	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

		IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
16.	Explains issues and concepts that relate financial goals and resources to risk management, investments, tax planning, retirement and estate planning............	0 1 2 3 4	0 1 2 3 4
17.	Identifies problems between client resources and objectives and describes choices in order to clarify client goals.............	0 1 2 3 4	0 1 2 3 4
18.	Explains fee structure, fiduciary responsibilities and relationship of financial planner to client and provides full and fair disclosure of material facts and opinions about recommended products and services.....	0 1 2 3 4	0 1 2 3 4
19.	Communicates with client and advisors (accountant, attorney, others) to gather/verify client information...................	0 1 2 3 4	0 1 2 3 4

D. ANALYZING INFORMATION AND PREPARING COMPREHENSIVE FINANCIAL PLANS

A financial planner analyzes and evaluates information about clients, financial products and services and prepares comprehensive financial plans.

20.	Prepares statements of financial position and cash flow..............................	0 1 2 3 4	0 1 2 3 4
21.	Analyzes client risk exposures and current risk management arrangements.................	0 1 2 3 4	0 1 2 3 4
22.	Prepares specific risk management recommendations to serve client requirements (e.g. risk retention, insurance)..................	0 1 2 3 4	0 1 2 3 4
23.	Analyzes client investments, asset ownership and financial asset mix and formulates an investment strategy........................	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

		IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
24.	Analyzes client tax position and financial position and develops alternatives which address client goals	0 1 2 3 4	0 1 2 3 4
25.	Analyzes client retirement plans, benefits, resources and prepares recommendations for achieving client goals	0 1 2 3 4	0 1 2 3 4
26.	Evaluates client estate plans and goals and makes recommendations for client consideration	0 1 2 3 4	0 1 2 3 4
27.	Develops a comprehensive, client-specific financial plan tailored to meet the goals and objectives of the client	0 1 2 3 4	0 1 2 3 4
28.	Prepares/reviews financial statements, projections, & makes recommendations for general asset management or for specific financial decisions to serve client goals	0 1 2 3 4	0 1 2 3 4
29.	Develops financial planning strategies that meet client goals	0 1 2 3 4	0 1 2 3 4
30.	Reviews and evaluates prepared financial plan to ensure match with client goals and resources	0 1 2 3 4	0 1 2 3 4

E. IMPLEMENTING AND MONITORING COMPREHENSIVE FINANCIAL PLANS

A financial planner carries out client requests to implement financial plans, monitors progress of plan and provides services to meet client requirements.

		IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
31.	Carries out client requests to purchase/sell financial products	0 1 2 3 4	0 1 2 3 4
32.	Offers investment recommendations for client consideration	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

	IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
33. Advises and counsels clients on personal budgeting, planning of expenditures and alternative allocations of financial assets..................................	0 1 2 3 4	0 1 2 3 4
34. Cooperates with client advisors (accountant, attorney, insurance specialist, broker, others) to implement financial plan........	0 1 2 3 4	0 1 2 3 4
35. Reviews and evaluates financial products for their soundness........................	0 1 2 3 4	0 1 2 3 4
36. Selects and offers alternative financial products for client........................	0 1 2 3 4	0 1 2 3 4
37. Advises and counsels clients on financial soundness and risk of recommendations and implications of alternative courses of action (e.g. sale of business, financing a loan).................................	0 1 2 3 4	0 1 2 3 4
38. Reviews and evaluates changing laws and economic circumstances and recommends revised financial plans........................	0 1 2 3 4	0 1 2 3 4
39. Reviews and evaluates changes in client's personal circumstances (birth/death, illness, divorce, retirement, etc.) and makes recommendations which meet new circumstances......	0 1 2 3 4	0 1 2 3 4
40. Communicates with client periodically to review and ensure relevance of client financial plans.............................	0 1 2 3 4	0 1 2 3 4
41. Monitors and evaluates financial soundness of recommendations and provides timely advice to clients, explaining both good and bad news...	0 1 2 3 4	0 1 2 3 4
42. Evaluates the merits of new and existing financial products to ensure soundness of recommendations.............................	0 1 2 3 4	0 1 2 3 4
43. Tracks progress of financial plan or recommendations and evaluates alternatives........	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

F. ESTABLISHING AND MAINTAINING ACCURATE RECORDS AND PERFORMING OTHER PROFESSIONAL FUNCTIONS

A financial planner prepares and maintains accurate records and performs other clerical, administrative or professional functions to implement the financial planning process.

		IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
44.	Keeps informed of financial developments and regulatory requirements to ensure compliance with legal, ethical, and professional requirements and standards........	0 1 2 3 4	0 1 2 3 4
45.	Obtains and maintains legal registrations and keeps accurate records to ensure compliance with state and federal requirements.........	0 1 2 3 4	0 1 2 3 4
46.	Reads professional publications, participates in professional organizations & programs, attends seminars, conventions & engages in other professional activities to keep up-to-date......	0 1 2 3 4	0 1 2 3 4
47.	Manages a financial planning practice (organizing, staffing, keeping business records, etc.)...................................	0 1 2 3 4	0 1 2 3 4
48.	Talks with product representatives and others, reviews and evaluates financial information and reports to meet legal, ethical, and professional requirements........................	0 1 2 3 4	0 1 2 3 4
49.	Supervises the work of paraplanner, clerical or other administrative staff to ensure effectiveness of operations..................	0 1 2 3 4	0 1 2 3 4
50.	Collaborates with colleagues and other professionals to coordinate the development and implementation of financial plans...........	0 1 2 3 4	0 1 2 3 4
51.	Writes letters, prepares and files records and performs other clerical or administrative duties to carry out the financial planning process.................................	0 1 2 3 4	0 1 2 3 4

PART II - KNOWLEDGE AREAS

This section deals with knowledge areas related to the field of personal financial planning.

On the basis of your experience as a qualified financial planner, please rate each of the knowledge areas listed using the two scales provided. You are to rate each knowledge on its importance for you and the level required of newly qualified planners. Please circle the number that best expresses your judgments about each knowledge area.

IMPORTANCE FOR YOU

How important is an understanding of this knowledge area to the competent performance of your job?

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

LEVEL OF KNOWLEDGE REQUIRED OF NEW PLANNERS*

At which of the following levels is this knowledge or skill needed or used by newly qualified planners?

(0) Not needed or used by newly qualified planners

(1) Facts/Terms: recognizes or remembers terminology, trends, and other specific facts (e.g. "Identify the meaning of a technical term")

(2) Comprehension/Application: grasps facts and concepts and applies them to solve problems, draw conclusions and recognize consequences (e.g. "Calculate the payments due on a debt")

(3) Analysis/Synthesis: breaks down or puts together ideas and information to clarify relationships and produce conclusions and plans (e.g. "Analyze a given situation and draw conclusions")

(4) Evaluation: assesses the validity of information and issues conclusions and recommendations in terms of external evidence and internal criteria (e.g. "Evaluate circumstances and recommend a course of action")

*The new planner is one who is newly qualified/certified, has had at least three years of prior experience in the financial services field and may be working without supervision.

PLEASE CIRCLE YOUR RATINGS CLEARLY AND RATE EVERY ITEM

Using the scales below, please circle the number in each column that best describes your judgment.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

G - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

		IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
52.	Financial planning process	0 1 2 3 4	0 1 2 3 4
53.	Financial statements	0 1 2 3 4	0 1 2 3 4
54.	Cash management/budgeting	0 1 2 3 4	0 1 2 3 4
55.	Monetary/fiscal policy	0 1 2 3 4	0 1 2 3 4
56.	Business cycles/trends	0 1 2 3 4	0 1 2 3 4
57.	Financial calculation/computing	0 1 2 3 4	0 1 2 3 4
58.	Regulatory requirements	0 1 2 3 4	0 1 2 3 4
59.	Time value of money	0 1 2 3 4	0 1 2 3 4
60.	Ethical standards and practices	0 1 2 3 4	0 1 2 3 4
61.	Personal counseling and guidance	0 1 2 3 4	0 1 2 3 4
62.	Client psychology (motives, knowledge, attitudes, behavior)	0 1 2 3 4	0 1 2 3 4
	COMMUNICATION		
63.	Reading/writing	0 1 2 3 4	0 1 2 3 4
64.	Listening/talking/speaking	0 1 2 3 4	0 1 2 3 4
65.	Techniques of implementation, negotiation, persuasion....	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

H - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

		IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
66.	Exposures and self insurance	0 1 2 3 4	0 1 2 3 4
67.	Risk management	0 1 2 3 4	0 1 2 3 4
68.	Insurance: needs/process/products/contracts	0 1 2 3 4	0 1 2 3 4
69.	Fidelity/surety bonding	0 1 2 3 4	0 1 2 3 4
70.	Regulatory requirements	0 1 2 3 4	0 1 2 3 4
71.	Life insurance	0 1 2 3 4	0 1 2 3 4
72.	Disability insurance	0 1 2 3 4	0 1 2 3 4
73.	Medical, nursing, health insurance	0 1 2 3 4	0 1 2 3 4
74.	Property insurance	0 1 2 3 4	0 1 2 3 4
75.	Casualty and liability insurance	0 1 2 3 4	0 1 2 3 4
76.	Business insurance	0 1 2 3 4	0 1 2 3 4
77.	Social insurance (e.g. Social Security, Workman's Compensation)	0 1 2 3 4	0 1 2 3 4
78.	Group vs individual insurance	0 1 2 3 4	0 1 2 3 4
79.	Policy provisions/options/benefits	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

I - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

		IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
80.	Investment planning process	0 1 2 3 4	0 1 2 3 4
81.	Regulatory requirements	0 1 2 3 4	0 1 2 3 4
82	Risk/return characteristics	0 1 2 3 4	0 1 2 3 4
83.	Fixed-income securities	0 1 2 3 4	0 1 2 3 4
84.	Government securities	0 1 2 3 4	0 1 2 3 4
85.	Common stock	0 1 2 3 4	0 1 2 3 4
86.	Convertible securities	0 1 2 3 4	0 1 2 3 4
87.	Futures, puts/calls	0 1 2 3 4	0 1 2 3 4
88.	Physical assets and collectibles	0 1 2 3 4	0 1 2 3 4
89.	Real estate	0 1 2 3 4	0 1 2 3 4
90.	Insurance-based investments	0 1 2 3 4	0 1 2 3 4
91.	Mutual funds/investment companies	0 1 2 3 4	0 1 2 3 4
92.	Unit Trusts	0 1 2 3 4	0 1 2 3 4
93.	Investment analysis	0 1 2 3 4	0 1 2 3 4
94.	Portfolio construction/management	0 1 2 3 4	0 1 2 3 4
95.	The economy and investment strategies	0 1 2 3 4	0 1 2 3 4
96.	Structures of ownership (MLPS, S Corp., Etc.)	0 1 2 3 4	0 1 2 3 4
97.	Foreign investments and currencies	0 1 2 3 4	0 1 2 3 4
98.	Other investment vehicles	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

J - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

		IMPORTANCE FOR YOU					LEVEL OF KNOWLEDGE				
99.	Tax law (overview)	0	1	2	3	4	0	1	2	3	4
100.	Tax planning research	0	1	2	3	4	0	1	2	3	4
101.	Individual income tax calculation	0	1	2	3	4	0	1	2	3	4
102.	Business forms: partnerships and sole proprietorships	0	1	2	3	4	0	1	2	3	4
103.	Business forms: S Corp., C Corp.	0	1	2	3	4	0	1	2	3	4
104.	Tax Accounting: methods and periods	0	1	2	3	4	0	1	2	3	4
105.	Property Transactions: acquisition, maintainence and disposition	0	1	2	3	4	0	1	2	3	4
106.	Family tax planning (e.g. charitable contributions, income shifting)	0	1	2	3	4	0	1	2	3	4
107.	Marital separation, divorce	0	1	2	3	4	0	1	2	3	4
108.	Compensation tax planning	0	1	2	3	4	0	1	2	3	4
109.	Direct participation programs (real estate, oil and gas/leasing/research)	0	1	2	3	4	0	1	2	3	4
110.	Tax aspects of life insurance, annuities, securities	0	1	2	3	4	0	1	2	3	4
111.	Special tax calculations & considerations (alternative minimum, sale of home, etc.)	0	1	2	3	4	0	1	2	3	4
112.	Tax traps/tax planning pitfalls (e.g. passive losses, phantom income)	0	1	2	3	4	0	1	2	3	4
113.	Personal management of tax liabilities (e.g. penalties, lum sum distribution)	0	1	2	3	4	0	1	2	3	4
114.	Foreign taxation	0	1	2	3	4	0	1	2	3	4
115.	Retirement distribution and taxation	0	1	2	3	4	0	1	2	3	4
116.	Income taxation of trusts & estates	0	1	2	3	4	0	1	2	3	4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

K - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

		IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
117.	Retirement planning and computation of funds needed to meet objectives	0 1 2 3 4	0 1 2 3 4
118.	Tax-deferred retirement plans: IRA, SEP, TSA (403b)	0 1 2 3 4	0 1 2 3 4
119.	Retirement plan qualifications (eligibility, ERISA requirements, integration, termination)	0 1 2 3 4	0 1 2 3 4
120.	Defined contribution plans(money purchase,profit-sharing,401k,stock bonus)	0 1 2 3 4	0 1 2 3 4
121.	Defined benefit plans	0 1 2 3 4	0 1 2 3 4
122.	Target benefit plans	0 1 2 3 4	0 1 2 3 4
123.	Distribution options for qualified plans	0 1 2 3 4	0 1 2 3 4
124.	Qualified retirement plan selection/ strategies	0 1 2 3 4	0 1 2 3 4
125.	Social Security and Medicare	0 1 2 3 4	0 1 2 3 4
126.	Group life insurance plans and income tax consequences	0 1 2 3 4	0 1 2 3 4
127.	Group health insurance benefits and income tax consequences	0 1 2 3 4	0 1 2 3 4
128.	Nonqualified deferred compensation plans and income tax consequences	0 1 2 3 4	0 1 2 3 4
129.	Identification and coordination of retirement assets and goals	0 1 2 3 4	0 1 2 3 4
130.	Retirement plan vehicles (charitable remainder trusts, reverse amortization mortgage)	0 1 2 3 4	0 1 2 3 4
131.	Post retirement and senior citizen planning	0 1 2 3 4	0 1 2 3 4

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

L - ESTATE PLANNING

Financial planners understand the estate planning process.

		IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE
132.	Estate planning process	0 1 2 3 4	0 1 2 3 4
133.	Federal/state estate taxation	0 1 2 3 4	0 1 2 3 4
134.	Federal/state gift taxation	0 1 2 3 4	0 1 2 3 4
135.	Gross estate valuation and exclusions	0 1 2 3 4	0 1 2 3 4
136.	Gift and estate tax computation	0 1 2 3 4	0 1 2 3 4
137.	Wills, intestacy, probate	0 1 2 3 4	0 1 2 3 4
138.	Trusts	0 1 2 3 4	0 1 2 3 4
139.	Ownership of property	0 1 2 3 4	0 1 2 3 4
140.	Will substitutes/probate avoidance	0 1 2 3 4	0 1 2 3 4
141.	Life insurance contracts	0 1 2 3 4	0 1 2 3 4
142.	Lifetime transfers, gifts to minors	0 1 2 3 4	0 1 2 3 4
143.	Marital and charitable transfers	0 1 2 3 4	0 1 2 3 4
144.	Intrafamily business and property transfers	0 1 2 3 4	0 1 2 3 4
145.	Special premortem planning (e.g. living will, organ donation, letters of instruction)	0 1 2 3 4	0 1 2 3 4
146.	Postmortem planning	0 1 2 3 4	0 1 2 3 4
147.	Utilization of business as an estate planning tool	0 1 2 3 4	0 1 2 3 4
148.	Coordination of ownership and dispositive arrangements of property	0 1 2 3 4	0 1 2 3 4
149.	Beneficiary designation of insurance and retirement benefits	0 1 2 3 4	0 1 2 3 4
150.	Estate liquidity needs	0 1 2 3 4	0 1 2 3 4

III - BACKGROUND INFORMATION

Please answer the following items in order to describe your background and professional activities. (circle the number of your answer)

151. For how many years have you been a qualified financial planner?

1. not yet qualified or certified
2. less than 2 years
3. 2-5 years
4. 6-10 years
5. 11-15 years
6. 16 or more years

152. What proportion of your work time do you spend doing personal financial planning?

1. Less than 25%
2. 25% - 50%
3. 51% - 75%
4. Over 75%

153. Which category below best describes the type of firm with which you are currently employed or associated?

1. Financial planning firm
2. Commercial bank
3. Savings and loan institution
4. Securities brokerage
5. Insurance company
6. Educational institution
7. Accounting firm
8. Other (please specify)______________________________

154. What is your current responsibility in the preparation of financial plans?

1. I supervise the planning of others
2. I am fully responsible for plans that I produce
3. I am partially responsible for plans that I produce
4. I prepare plans under professional supervision
5. I do not supervise or prepare financial plans

155. Please rank your expertise in each of the following areas. (Write 1 where you are most expert, 2 for next, etc.)

	RANK
1. Estate Planning	_____
2. Investment Planning	_____
3. Retirement Planning	_____
4. Risk Management	_____
5. Tax Planning	_____

156. In which area do you mainly conduct your financial planning activities? (circle one only)

1. Alabama
2. Alaska
3. Arizona
4. Arkansas
5. California
6. Colorado
7. Connecticut
8. Delaware
9. Florida
10. Georgia
11. Hawaii
12. Idaho
13. Illinois
14. Indiana
15. Iowa
16. Kansas
17. Kentucky
18. Louisiana
19. Maine
20. Maryland
21. Massachusetts
22. Michigan
23. Minnesota
24. Mississippi
25. Missouri
26. Montana
27. Nebraska
28. Nevada
29. New Hampshire
30. New Jersey
31. New Mexico
32. New York
33. North Carolina
34. North Dakota
35. Ohio
36. Oklahoma
37. Oregon
38. Pennsylvania
39. Rhode Island
40. South Carolina
41. South Dakota
42. Tennessee
43. Texas
44. Utah
45. Vermont
46. Virginia
47. Washington
48. West Virginia
49. Wisconsin
50. Wyoming
51. Other____________________
(please specify)

157. Which of the following do you now hold? (circle all that apply)

1. CEBS
2. CFA
3. CFP
4. ChFC
5. CLU
6. CMI
7. CPA
8. CPCU
9. EA
10. RHU

158. Which of the following licenses or registrations do you currently hold? (circle all that apply)

1. NYSE
2. NASD
3. Life
4. Health
5. P & C
6. Real Estate
7. Registered Investment Advisor

159. What is the highest degree that you now hold? (circle the number and underline the type)

1. High school diploma
2. Associate degree
3. Bachelor's degree (BS, BA)
4. Master's degree (MS, MA, MBA, MSFS, OTHER)
5. Doctorate (Ph.D., DBA, DEd, other)
6. Juris Doctor
7. Other (specify:________________)

160. With which of the following are you now affiliated? (circle all that apply)

1. AICPA
2. AS/CLU, ChFC
3. IAFP
4. IAFP Registry
5. ICFP
6. NAPFA
7. Other related (specify:________________)

161. Approximately how many years have you been employed in the financial services industry in a professional capacity?

____________years

162. Approximately what percentage of your total income in 1986 was derived from each of the following sources?

1. fees ____________%
2. retainer ____________%
3. salary ____________%
4. commission ____________%
5. bonus ____________%
6. investment ____________%
7. other (specify) ________________ ____________%

163. Which range represents the gross compensation you have earned in the past year?

1. less than $25,000
2. $25,000 - $50,000
3. $50,001 - $75,000
4. $75,001 - $100,000
5. $100,001 - $150,000
6. $150,001 - $200,000
7. $200,001 - $300,000
8. over $300,000

164. Gender

1. Male
2. Female

165. (Optional)
Which one of the following best describes your social/ethnic background (as per U.S. Equal Employment Opportunity Commission code)?

1. Black
2. White (non-Hispanic)
3. Hispanic
4. Native American/Alaskan native
5. Asian or Pacific Islander
6. Other (please specify:__________________)

TASKS

Please use this space to list important additional tasks not included in the questionnaire.

____

____

____

____

____

____

____

____

KNOWLEDGE AREAS

Please use this space to list any important additional knowledge areas not covered in the questionnaire.

____

____

____

____

____

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____

____

Thank you for your cooperation. Please place the questionnaire in the envelope provided and return it to:

Dr. Larry Skurnik
COLLEGE FOR FINANCIAL PLANNING
9725 E. Hampden Avenue
Denver, CO 80231

APPENDIX D

MEAN RATINGS OF IMPORTANCE OF TASKS

MEAN RATINGS OF SKILL OF NEW PLANNERS

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
(1) Of little importance	(1) Competence not essential at time of certification
(2) Moderately important	(2) Some degree of competence essential
(3) Very important	(3) Substantial competence is necessary
(4) Extremely important	(4) Full competence is essential

	Importance		Skill	
	Mean	SD	Mean	SD
A. MARKETING FINANCIAL PLANNING SERVICES				
Planners use a variety of techniques to secure and serve clients.				
1. Obtains referrals from other professionals and clients	3.485	.758	2.278	1.124
2. Makes personal presentations (e.g. face-to-face contacts, talks, lectures, seminars)	3.314	.934	2.606	.945
3. Uses published media (e.g. writing articles, books, newsletters, advertisements)	2.214	1.123	1.594	1.142
4. Audio-visual media (e.g. appearing on television, recording, audio tapes)	1.469	1.146	1.082	1.089
B. EVALUATING CLIENT NEEDS				
A financial planner meets with prospective clients, collects and evaluates information about client needs, objectives and circumstances and prepares recommendations.				
5. Interviews prospective clients about short-range and long-range financial goals	3.862	.403	3.244	.868
6. Explores client background and attitudes through interview/questionnaire that bear on personal and financial goals and needs	3.825	.424	3.208	.850
7. Obtains information from client through interview/questionnaire about financial resources and obligations that pertain to a financial plan	3.774	.491	3.240	.834
8. Collects and analyzes client records and documents that describe financial circumstances (e.g. tax returns, investment records, insurance policies, property holdings, buy-sell agreements, pension documents, wills, trusts, etc.)	3.643	.651	3.114	.813

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
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C. EXPLAINING FINANCIAL PLANNING CONCEPTS AND CLARIFYING CLIENT GOALS

A financial planner explains the implications of estate planning, retirement benefits, tax planning, insurance coverages, investments and other concepts of asset management and financial planning and clarifies client goals.

	Importance		Skill	
	Mean	SD	Mean	SD
9. Explains issues and concepts related to the overall financial planning process.....	3.610	.601	2.906	.821
10. Explains issues and concepts related to risk management including self insurance, life, accident, health, liability, property, casualty, and other aspects of insurance planning..................................	3.283	.761	2.678	.820
11. Explains issues and concepts related to investments including stocks, bonds, property, collectibles and other aspects of investment planning.....................	3.523	.635	2.765	.782
12. Explains issues and concepts related to local, state and federal taxes, tax-favored products and other aspects of tax planning..	3.495	.639	2.741	.787
13. Explains issues and concepts related to retirement including benefits, Social Security, employer pension programs and other related aspects of retirement planning...............	3.427	.694	2.715	.811
14. Explains issues and concepts related to wills, trusts and estate plans including aspects of alternative legal agreements and estate plans..............................	3.225	.783	2.471	.895
15. Explains issues and concepts related to economics, the time value of money, asset management, personal finance (e.g. budgeting, cash flow)................................	3.365	.740	2.735	.840

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
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	Importance		Skill	
	Mean	SD	Mean	SD
16. Explains issues and concepts that relate financial goals and resources to risk management, investments, tax planning, retirement and estate planning.............	3.583	.612	2.793	.841
17. Identifies problems between client resources and objectives and describes choices in order to clarify client goals..............	3.656	.575	2.853	.838
18. Explains fee structure, fiduciary responsibilities and relationship of financial planner to client and provides full and fair disclosure of material facts and opinions about recommended products and services.....	3.642	.680	3.031	1.063
19. Communicates with client and advisors (accountant, attorney, others) to gather/verify client information...................	3.306	.782	2.701	.977

D. ANALYZING INFORMATION AND PREPARING COMPREHENSIVE FINANCIAL PLANS

A financial planner analyzes and evaluates information about clients, financial products and services and prepares comprehensive financial plans.

	Importance		Skill	
	Mean	SD	Mean	SD
20. Prepares statements of financial position and cash flow...............................	3.301	.860	2.961	.852
21. Analyzes client risk exposures and current risk management arrangements..................	3.290	.788	2.803	.854
22. Prepares specific risk management recommendations to serve client requirements (e.g. risk retention, insurance)..................	3.270	.821	2.687	.876
23. Analyzes client investments, asset ownership and financial asset mix and formulates an investment strategy.........................	3.693	.528	2.886	.827

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
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		Importance		Skill	
		Mean	SD	Mean	SD
24.	Analyzes client tax position and financial position and develops alternatives which address client goals......................	3.601	.595	2.822	.813
25.	Analyzes client retirement plans, benefits, resources and prepares recommendations for achieving client goals....................	3.558	.626	2.811	.812
26.	Evaluates client estate plans and goals and makes recommendations for client consideration.............................	3.382	.716	2.605	.860
27.	Develops a comprehensive, client-specific financial plan tailored to meet the goals and objectives of the client...............	3.708	.600	2.952	.886
28.	Prepares/reviews financial statements, projections, & makes recommendations for general asset management or for specific financial decisions to serve client goals..	3.592	.622	2.778	.874
29.	Develops financial planning strategies that meet client goals.........................	3.799	.438	2.991	.836
30.	Reviews and evaluates prepared financial plan to ensure match with client goals and resources.................................	3.668	.609	2.921	.910

E. IMPLEMENTING AND MONITORING COMPREHENSIVE FINANCIAL PLANS

A financial planner carries out client requests to implement financial plans, monitors progress of plan and provides services to meet client requirements.

		Importance		Skill	
		Mean	SD	Mean	SD
31.	Carries out client requests to purchase/ sell financial products....................	3.211	1.093	2.600	1.065
32.	Offers investment recommendations for client consideration......................	3.605	.657	2.725	1.005

IMPORTANCE FOR YOU	SKILL OF NEW PLANNERS
(0) Of no importance	(0) Not performed by new planners
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		Importance		Skill	
		Mean	SD	Mean	SD
33.	Advises and counsels clients on personal budgeting, planning of expenditures and alternative allocations of financial assets..................................	2.985	.954	2.561	.826
34.	Cooperates with client advisors (accountant, attorney, insurance specialist, broker, others) to implement financial plan........	3.255	.850	2.613	.957
35.	Reviews and evaluates financial products for their soundness........................	3.397	.785	2.557	1.071
36.	Selects and offers alternative financial products for client.........................	3.380	.788	2.563	1.043
37.	Advises and counsels clients on financial soundness and risk of recommendations and implications of alternative courses of action (e.g. sale of business, financing a loan).................................	3.390	.761	2.450	1.051
38.	Reviews and evaluates changing laws and economic circumstances and recommends revised financial plans.........................	3.496	.656	2.609	.980
39.	Reviews and evaluates changes in client's personal circumstances (birth/death, illness, divorce, retirement, etc.) and makes recommendations which meet new circumstances......	3.414	.708	2.670	.933
40.	Communicates with client periodically to review and ensure relevance of client financial plans.............................	3.528	.614	2.822	.986
41.	Monitors and evaluates financial soundness of recommendations and provides timely advice to clients, explaining both good and bad news...	3.548	.609	2.806	.945
42.	Evaluates the merits of new and existing financial products to ensure soundness of recommendations.............................	3.356	.750	2.566	1.010
43.	Tracks progress of financial plan or recommendations and evaluates alternatives........	3.403	.665	2.725	.924

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F. ESTABLISHING AND MAINTAINING ACCURATE RECORDS AND PERFORMING OTHER PROFESSIONAL FUNCTIONS

A financial planner prepares and maintains accurate records and performs other clerical, administrative or professional functions to implement the financial planning process.

	Importance		Skill	
	Mean	SD	Mean	SD
44. Keeps informed of financial developments and regulatory requirements to ensure compliance with legal, ethical, and professional requirements and standards........	3.529	.678	2.800	1.037
45. Obtains and maintains legal registrations and keeps accurate records to ensure compliance with state and federal requirements.........	3.562	.729	2.919	1.132
46. Reads professional publications, participates in professional organizations & programs, attends seminars, conventions & engages in other professional activities to keep up-to-date......	3.458	.651	2.965	.979
47. Manages a financial planning practice (organizing, staffing, keeping business records, etc.)....................................	3.239	.965	1.743	1.164
48. Talks with product representatives and others, reviews and evaluates financial information and reports to meet legal, ethical, and professional requirements............................	3.028	.950	2.159	1.136
49. Supervises the work of paraplanner, clerical or other administrative staff to ensure effectiveness of operations..................	2.915	1.168	1.521	1.178
50. Collaborates with colleagues and other professionals to coordinate the development and implementation of financial plans...........	3.085	.907	2.300	1.079
51. Writes letters, prepares and files records and performs other clerical or administrative duties to carry out the financial planning process....................................	2.374	1.142	2.227	1.071

APPENDIX E

CORRELATION MATRIX

PRINCIPAL COMPONENTS STATISTICS

ROTATED FACTOR LOADINGS

CORRELATIONS BETWEEN ITEMS WITHIN FACTOR

```
                  - - - - - - -  F A C T O R   A N A L Y S I S  - - - - - - -

Correlation Matrix:

                IMP1       IMP2       IMP3       IMP5       IMP6       IMP7       IMP8       IMP9

IMP1         1.00000
IMP2          .13979    1.00000
IMP3          .12173     .27461    1.00000
IMP5          .13654     .12272     .05967    1.00000
IMP6          .11139     .11744     .00841     .53413    1.00000
IMP7          .13077     .05806     .01854     .29060     .46353    1.00000
IMP8          .15625     .00542     .07243     .17853     .31855     .46631    1.00000
IMP9          .11100     .17955     .10929     .17165     .25868     .24696     .19025    1.00000
IMP10         .07645     .16836     .09822     .13698     .26156     .22196     .26794     .49525
IMP11         .12551     .18358     .10699     .14238     .17591     .13600     .14722     .49948
IMP12         .08849     .19027     .12401     .16696     .21332     .15772     .19649     .46559
IMP13         .08721     .18638     .10689     .12802     .21321     .26898     .30182     .48657
IMP14         .10784     .20563     .03746     .08550     .19247     .15305     .18881     .45319
IMP15         .07780     .15231     .08664     .13832     .19188     .17670     .16543     .44786
IMP16         .12511     .15066     .10711     .17038     .23285     .13552     .22512     .51878
IMP17         .04997     .14527     .07195     .19336     .22335     .26555     .17548     .43421
IMP18         .08067     .10868     .02792     .17285     .19775     .16195     .11509     .35198
IMP19         .14585     .06490     .07410     .19454     .25652     .23709     .35156     .38808
IMP20         .06366     .02415     .01078     .15124     .22209     .29456     .49022     .29525
IMP21         .04245     .05867     .05447     .16730     .22471     .22792     .43730     .34225
IMP22         .08118     .16952     .12702     .12501     .24755     .17989     .32151     .40809
IMP23         .08981     .11856     .03103     .19831     .21652     .20060     .28511     .37687
IMP24         .08148     .10208     .15845     .23492     .26055     .18207     .36102     .38025
IMP25         .07054     .12509     .10957     .21966     .28163     .30075     .39956     .37597
IMP26         .10898     .15436     .08850     .13042     .20258     .19388     .23165     .40353
IMP27         .12241     .12372     .06931     .30510     .35294     .20319     .32886     .26229
IMP28         .07289     .09203     .01417     .16730     .31547     .26838     .19819     .32736
IMP29         .09288     .10621     .04697     .28131     .25070     .19392     .15583     .29728
IMP30         .12820     .10628     .03795     .17642     .20603     .23960     .25381     .26161
IMP31         .09856     .25389     .12513     .04157     .14292     .16066     .08932     .17542
IMP32         .07865     .20156     .12286     .06204     .09397     .11457     .05870     .26463
IMP33         .05454     .18149     .15580     .18806     .17334     .17521     .26228     .33383
IMP34         .14635     .08746     .11974     .22457     .17935     .22031     .21512     .29176
IMP35         .05689     .13263     .12552     .08865     .17085     .17855     .21592     .28316
IMP36         .02303     .19569     .09170     .11149     .11553     .11124     .06246     .23669
IMP37         .11830     .15163     .16307     .09430     .12522     .08673     .12201     .23064
IMP38         .11054     .17190     .15715     .13274     .13721     .15637     .18068     .28355
IMP39         .04386     .20738     .13629     .11973     .20636     .23649     .30209     .32370
IMP40         .10918     .14951     .13167     .17313     .29664     .20412     .24555     .30668
IMP41         .13220     .13544     .12623     .15198     .21667     .19780     .13428     .30654
IMP42         .05769     .09353     .07082     .09809     .17232     .15743     .16019     .22737
IMP43         .07952     .13858     .14653     .14829     .27078     .30163     .33502     .31146
IMP44         .03476     .11167     .07854     .07556     .06429     .10557     .16384     .23709
IMP45        -.05575     .15280     .08022     .06917     .08505     .15681     .23033     .25400
IMP46         .06002     .13449     .16014     .18026     .09429     .06437     .10762     .22738
IMP47         .05552     .09791     .14469     .21093     .16821     .09335     .09996     .24618
IMP48         .12375     .20740     .17934     .11173     .18326     .20603     .27905     .26205
IMP49         .04913     .20347     .19121     .19147     .12815     .12297     .16264     .23881
IMP50         .15333     .15900     .09588     .10171     .20710     .20425     .17435     .35113
IMP51         .00511     .09565     .04841    -.02999     .01545     .13995     .13632     .16360


               IMP10      IMP11      IMP12      IMP13      IMP14      IMP15      IMP16      IMP17

IMP10        1.00000
IMP11         .51674    1.00000
IMP12         .48075     .62182    1.00000
IMP13         .59811     .64361     .64854    1.00000
IMP14         .50355     .48451     .57472     .50456    1.00000
IMP15         .52175     .46724     .44863     .47951     .49286    1.00000
IMP16         .44522     .49928     .57274     .53142     .46556     .51592    1.00000
IMP17         .41935     .43343     .37504     .40376     .37001     .42863     .50797    1.00000
IMP18         .28442     .32951     .31213     .31113     .27109     .27292     .31875     .39152
IMP19         .38315     .30768     .33962     .29767     .33734     .39000     .41170     .37373
IMP20         .26634     .26010     .31528     .35756     .28050     .33102     .30539     .20308
IMP21         .45711     .32538     .43541     .45435     .29612     .37799     .40308     .29901
IMP22         .57157     .35228     .44229     .47863     .36396     .43657     .42445     .32044
IMP23         .27026     .46830     .37232     .41072     .29161     .32016     .39050     .28009
IMP24         .32887     .38969     .47770     .44869     .33977     .31435     .39043     .30827
IMP25         .46484     .37900     .40220     .56547     .37640     .36270     .43127     .36482
IMP26         .41322     .31563     .41520     .40765     .61675     .40392     .41764     .33493
IMP27         .31289     .27178     .34669     .35267     .28163     .22443     .36538     .27427
IMP28         .26258     .31992     .24528     .34036     .26444     .26886     .33795     .29029
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                          - - - - - - -   F A C T O R   A N A L Y S I S   - - - - - - -

                IMP10      IMP11      IMP12      IMP13      IMP14      IMP15      IMP16      IMP17

IMP29          .29061     .33412     .30194     .36487     .23110     .28363     .40099     .37038
IMP30          .29384     .30847     .26047     .37835     .26237     .22242     .36671     .34473
IMP31          .18261     .17512     .13424     .18644     .10320     .08886     .11150     .06236
IMP32          .25938     .39753     .29960     .28818     .22167     .21564     .28854     .19529
IMP33          .40495     .28167     .36717     .38766     .31163     .42379     .35937     .33771
IMP34          .29397     .25463     .24792     .25466     .29978     .30683     .33162     .31282
IMP35          .29356     .35642     .29822     .34586     .31411     .31425     .32822     .26823
IMP36          .29681     .32824     .23783     .30476     .18333     .24330     .20590     .19063
IMP37          .24518     .33078     .35352     .29782     .33960     .38614     .37247     .27027
IMP38          .21705     .31564     .37873     .34310     .29225     .36904     .40258     .30762
IMP39          .34483     .33295     .40945     .42684     .33225     .35154     .39692     .36805
IMP40          .32112     .33290     .33733     .35869     .28748     .34727     .38814     .35468
IMP41          .26318     .37163     .30507     .33568     .26754     .31770     .40124     .39953
IMP42          .24723     .33503     .28176     .28838     .27810     .26441     .31543     .28889
IMP43          .33003     .32119     .32465     .35939     .27577     .30456     .32115     .35227
IMP44          .26635     .27016     .27984     .28125     .21947     .24711     .27917     .27866
IMP45          .24925     .28434     .29983     .26895     .18443     .21013     .23636     .24602
IMP46          .23276     .27898     .29661     .27238     .19318     .28079     .26130     .29733
IMP47          .24847     .22903     .26012     .27171     .24206     .23912     .22152     .18644
IMP48          .30199     .31151     .29297     .38545     .28783     .22702     .27881     .23130
IMP49          .23527     .25132     .27368     .29945     .24789     .21879     .19199     .22255
IMP50          .34658     .27080     .29411     .27567     .35355     .32560     .28944     .30367
IMP51          .09861     .06861     .08889     .10073     .06187     .13530     .10515     .03546


                IMP18      IMP19      IMP20      IMP21      IMP22      IMP23      IMP24      IMP25

IMP18         1.00000
IMP19          .31589    1.00000
IMP20          .16106     .40711    1.00000
IMP21          .27907     .42681     .60446    1.00000
IMP22          .29632     .39526     .43054     .74207    1.00000
IMP23          .29711     .34640     .44711     .49138     .44605    1.00000
IMP24          .31967     .29428     .43939     .46226     .39890     .53851    1.00000
IMP25          .29808     .33514     .50106     .57656     .48429     .50397     .68053    1.00000
IMP26          .30220     .37845     .37733     .46468     .45614     .36168     .48501     .60835
IMP27          .30265     .36122     .41699     .39798     .36042     .37106     .44350     .44730
IMP28          .21751     .36109     .41846     .41056     .37016     .45405     .43329     .42948
IMP29          .34051     .30578     .27998     .30366     .28790     .41925     .38817     .39278
IMP30          .28758     .37222     .31841     .39344     .36015     .44322     .34267     .38829
IMP31          .01304     .07364     .04717     .11078     .09443     .12453     .18131     .18143
IMP32          .09488     .17022     .08507     .14289     .15757     .31578     .28327     .25205
IMP33          .12762     .35760     .34776     .45789     .40929     .25836     .34426     .37462
IMP34          .19744     .49782     .31672     .29153     .29813     .22547     .15883     .29037
IMP35          .16797     .27258     .24958     .28647     .23436     .32178     .31348     .30773
IMP36          .10154     .11418     .08387     .17016     .19739     .26600     .22734     .22385
IMP37          .16654     .26123     .19891     .25484     .25718     .27113     .25866     .30215
IMP38          .28092     .29471     .24502     .29753     .24443     .34086     .37827     .38226
IMP39          .26665     .33303     .30103     .34951     .33975     .31885     .43066     .42902
IMP40          .30603     .41047     .30450     .31639     .32652     .25967     .36024     .36463
IMP41          .32199     .32540     .23992     .27913     .34837     .26391     .27206     .33000
IMP42          .17266     .34413     .22354     .27786     .23510     .34910     .36192     .36585
IMP43          .28147     .42294     .40379     .37729     .33130     .40393     .46016     .45167
IMP44          .28202     .25552     .20556     .24418     .18690     .16856     .21141     .23705
IMP45          .31440     .27172     .21469     .17737     .16332     .23076     .25281     .23620
IMP46          .26124     .22458     .12516     .19672     .23269     .16959     .28087     .26817
IMP47          .20592     .20185     .17349     .21175     .26146     .13620     .19334     .27736
IMP48          .18102     .27738     .21049     .30088     .29476     .24896     .27375     .32831
IMP49          .20325     .20670     .14467     .14577     .20171     .14057     .27448     .26434
IMP50          .28948     .41465     .22548     .22606     .30226     .14336     .18913     .22567
IMP51          .12214     .20406     .19166     .16271     .16911     .02628     .09178     .09139


                IMP26      IMP27      IMP28      IMP29      IMP30      IMP31      IMP32      IMP33

IMP26         1.00000
IMP27          .36669    1.00000
IMP28          .33162     .42045    1.00000
IMP29          .29783     .43216     .43706    1.00000
IMP30          .40078     .48351     .42092     .52052    1.00000
IMP31          .07790    -.00681     .11981     .11515     .11132    1.00000
IMP32          .17934     .09911     .22112     .21874     .15688     .48442    1.00000
IMP33          .37254     .28675     .30157     .25326     .32329     .09736     .15865    1.00000
IMP34          .36429     .22454     .24215     .29960     .40811     .09082     .14360     .37418
IMP35          .25810     .19944     .24675     .22334     .30071     .19687     .34439     .26741
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                - - - - - - -   F A C T O R   A N A L Y S I S   - - - - - - -

               IMP26       IMP27       IMP28       IMP29       IMP30       IMP31       IMP32       IMP33

IMP36         .11979      .11316      .18346      .18072      .16124      .45164      .54104      .20625
IMP37         .38971      .26842      .26629      .27544      .29477      .02752      .17968      .34737
IMP38         .34980      .32419      .27732      .36071      .32751      .13885      .30584      .26581
IMP39         .40418      .35547      .34221      .35079      .35623      .14300      .29701      .38296
IMP40         .27641      .32257      .30846      .32846      .29337      .18653      .25704      .29837
IMP41         .30935      .26320      .31518      .38145      .27928      .24239      .26872      .20639
IMP42         .29073      .22551      .30974      .28341      .36914      .28958      .40171      .21933
IMP43         .32874      .34794      .40522      .34216      .39980      .22934      .30737      .36639
IMP44         .21405      .16583      .13089      .20596      .19762      .10480      .12829      .18030
IMP45         .18715      .16460      .12917      .18155      .19687      .13410      .16941      .21255
IMP46         .26331      .23013      .18179      .24614      .26683      .08913      .23918      .27990
IMP47         .21111      .20344      .23290      .19424      .17017      .09135      .22269      .25621
IMP48         .26908      .14342      .22258      .14956      .27174      .28752      .31873      .27087
IMP49         .22151      .23041      .15983      .19418      .24476      .24411      .17443      .27647
IMP50         .32143      .20327      .19388      .18042      .26949      .13506      .18569      .35020
IMP51         .05071      .03456      .06726      .02286      .08158      .11177      .11898      .20698


               IMP34       IMP35       IMP36       IMP37       IMP38       IMP39       IMP40       IMP41

IMP34        1.00000
IMP35         .30122     1.00000
IMP36         .12403      .40204     1.00000
IMP37         .33121      .43099      .26737     1.00000
IMP38         .34180      .42046      .27768      .54153     1.00000
IMP39         .34475      .31083      .27934      .40967      .55301     1.00000
IMP40         .34442      .25089      .21370      .31358      .47976      .58201     1.00000
IMP41         .32528      .30902      .27155      .36933      .46054      .48026      .54786     1.00000
IMP42         .30138      .57163      .46020      .38734      .47266      .39806      .40557      .40731
IMP43         .38354      .40856      .26403      .31215      .43973      .51456      .52260      .50019
IMP44         .29489      .32951      .10041      .24481      .31721      .33031      .28304      .25162
IMP45         .26954      .29130      .09826      .23172      .29929      .30224      .25984      .20879
IMP46         .28144      .15928      .15466      .21732      .32962      .37158      .33584      .34034
IMP47         .21806      .27041      .15415      .26243      .32218      .20818      .26545      .21402
IMP48         .31031      .50717      .27757      .29058      .32862      .32933      .23662      .23635
IMP49         .31275      .23943      .15859      .25952      .36664      .27084      .30952      .24013
IMP50         .47447      .26535      .19352      .26683      .28173      .32977      .32707      .35064
IMP51         .16645      .14009      .09993      .07682      .11699      .15374      .12984      .14383


               IMP42       IMP43       IMP44       IMP45       IMP46       IMP47       IMP48       IMP49

IMP42        1.00000
IMP43         .51411     1.00000
IMP44         .32902      .21186     1.00000
IMP45         .28360      .21118      .64923     1.00000
IMP46         .25790      .31297      .32722      .31082     1.00000
IMP47         .24710      .19238      .19359      .27292      .33162     1.00000
IMP48         .47992      .34317      .33872      .37637      .35682      .41682     1.00000
IMP49         .31169      .28086      .19089      .30545      .27598      .50971      .41253     1.00000
IMP50         .25376      .32495      .22105      .22727      .32494      .29855      .39044      .45978
IMP51         .14823      .17108      .18540      .21050      .22432      .24688      .26338      .12418


               IMP50       IMP51

IMP50        1.00000
IMP51         .24866     1.00000
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- - - - - - -  F A C T O R   A N A L Y S I S  - - - - - - -

Extraction  1  for Analysis  1, Principal-Components Analysis (PC)

Initial Statistics:

Variable      Communality  *  Factor   Eigenvalue   Pct of Var    Cum Pct
                           *
IMP1              1.00000  *     1      14.62059        29.2        29.2
IMP2              1.00000  *     2       2.70710         5.4        34.7
IMP3              1.00000  *     3       2.08281         4.2        38.8
IMP5              1.00000  *     4       1.95422         3.9        42.7
IMP6              1.00000  *     5       1.69776         3.4        46.1
IMP7              1.00000  *     6       1.65572         3.3        49.4
IMP8              1.00000  *     7       1.40203         2.8        52.2
IMP9              1.00000  *     8       1.35137         2.7        54.9
IMP10             1.00000  *     9       1.20321         2.4        57.3
IMP11             1.00000  *    10       1.16463         2.3        59.7
IMP12             1.00000  *    11       1.09082         2.2        61.9
IMP13             1.00000  *    12        .98303         2.0        63.8
IMP14             1.00000  *    13        .93576         1.9        65.7
IMP15             1.00000  *    14        .85610         1.7        67.4
IMP16             1.00000  *    15        .82723         1.7        69.1
IMP17             1.00000  *    16        .81693         1.6        70.7
IMP18             1.00000  *    17        .79819         1.6        72.3
IMP19             1.00000  *    18        .79083         1.6        73.9
IMP20             1.00000  *    19        .71828         1.4        75.3
IMP21             1.00000  *    20        .69596         1.4        76.7
IMP22             1.00000  *    21        .65521         1.3        78.0
IMP23             1.00000  *    22        .63278         1.3        79.3
IMP24             1.00000  *    23        .60612         1.2        80.5
IMP25             1.00000  *    24        .58967         1.2        81.7
IMP26             1.00000  *    25        .55890         1.1        82.8
IMP27             1.00000  *    26        .54052         1.1        83.9
IMP28             1.00000  *    27        .50730         1.0        84.9
IMP29             1.00000  *    28        .50601         1.0        85.9
IMP30             1.00000  *    29        .47573         1.0        86.8
IMP31             1.00000  *    30        .45842          .9        87.8
IMP32             1.00000  *    31        .44756          .9        88.7
IMP33             1.00000  *    32        .42944          .9        89.5
IMP34             1.00000  *    33        .42341          .8        90.4
IMP35             1.00000  *    34        .41367          .8        91.2
IMP36             1.00000  *    35        .37109          .7        91.9
IMP37             1.00000  *    36        .36108          .7        92.7
IMP38             1.00000  *    37        .35418          .7        93.4
IMP39             1.00000  *    38        .34328          .7        94.1
IMP40             1.00000  *    39        .32232          .6        94.7
IMP41             1.00000  *    40        .31425          .6        95.3
IMP42             1.00000  *    41        .31368          .6        96.0
IMP43             1.00000  *    42        .29755          .6        96.5
IMP44             1.00000  *    43        .28312          .6        97.1
IMP45             1.00000  *    44        .25799          .5        97.6
IMP46             1.00000  *    45        .24607          .5        98.1
IMP47             1.00000  *    46        .22499          .4        98.6
IMP48             1.00000  *    47        .21076          .4        99.0
IMP49             1.00000  *    48        .18022          .4        99.4
IMP50             1.00000  *    49        .17395          .3        99.7
IMP51             1.00000  *    50        .14815          .3       100.0
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 - - - - - - -   F A C T O R   A N A L Y S I S   - - - - - - -

Varimax   Rotation  1,  Extraction  1,  Analysis  1 - Kaiser Normalization.

  Varimax converged in   12 iterations.

Rotated Factor Matrix:

                FACTOR  3     FACTOR  4      FACTOR  7     FACTOR  5      FACTOR  6

IMP1             .04625       -.04164        -.10405        .17941         .01859
IMP2             .17814       -.02714         .06653        .03022         .20686
IMP3             .01437        .10025         .16247       -.08191         .04173
IMP5             .08197       -.02452         .03619        .28517        -.04455
IMP6             .16549        .12040         .11919        .14183         .06453
IMP7             .08593        .27006         .10183       -.02873         .13262
IMP8             .04722        .63435         .06373       -.06257        -.00100
IMP9             .63127        .12647         .08739        .16107         .16437
IMP10            .69415        .25762         .06049        .01609         .16164
IMP11            .68118        .04166         .07944        .24094         .27931
IMP12            .70343        .19357         .13957        .10611         .08542
IMP13            .66836        .30059         .09624        .13984         .19419
IMP14            .71139        .12637         .03159        .04003         .01780
IMP15            .66451        .15417         .22622        .00483         .04115
IMP16            .63149        .12704         .22775        .25994         .06086
IMP17            .52767       -.02143         .31650        .24368         .02807
IMP18            .34615       -.02044         .21845        .40888        -.05529
IMP19            .29240        .28466         .20439        .23747         .00372
IMP20            .16360        .70932         .10182        .18183        -.01746
IMP21            .33740        .72563         .09280        .21631         .04893
IMP22            .46741        .55888         .10544        .17577         .05936
IMP23            .27325        .41363         .02443        .54323         .24220
IMP24            .28102        .51417         .21254        .35575         .14879
IMP25            .34541        .58466         .18163        .29163         .11437
IMP26            .47680        .37485         .12365        .22632        -.08433
IMP27            .18678        .34210         .17453        .51910        -.11933
IMP28            .16588        .34691         .16250        .51952         .16611
IMP29            .21425        .07556         .24106        .68465         .07927
IMP30            .13540        .24799         .08532        .63950         .07054
IMP31            .02759        .05288         .06980       -.02070         .74069
IMP32            .21682        .00579         .14759        .12880         .73167
IMP33            .34948        .39892         .18454        .02239         .01138
IMP34            .18809        .11890         .19792        .18915        -.02654
IMP35            .20793        .15650         .05815        .07536         .39079
IMP36            .21287        .01538         .13989        .05210         .72771
IMP37            .28706        .07490         .30261        .11696        -.00756
IMP38            .18616        .10601         .52196        .20382         .10763
IMP39            .25340        .26746         .65154        .09569         .10661
IMP40            .21778        .15649         .71415        .10978         .10731
IMP41            .23420        .02522         .66016        .20924         .20627
IMP42            .08947        .13636         .28436        .20825         .47862
IMP43            .11266        .35547         .52857        .20684         .27125
IMP44            .19744        .07018         .16574        .06284         .00942
IMP45            .16172        .10412         .10811        .05312         .05068
IMP46            .16551        .03665         .38020        .18418         .04911
IMP47            .16482        .07500         .04397        .08979         .08804
IMP48            .14481        .21933        -.03348        .00028         .36509
IMP49            .13087        .03994         .12236        .07480         .11097
IMP50            .29407        .04236         .19049        .01936         .07824
IMP51           -.03202        .24956         .11567       -.14486         .18730


                FACTOR 10     FACTOR  2      FACTOR  9     FACTOR 11      FACTOR  8

IMP1            -.19450        .18148        -.03157        .32192         .13262
IMP2             .10763        .02842         .05386       -.00108        -.05807
IMP3             .16592       -.06128         .02388       -.05179         .04758
IMP5             .26041        .67847        -.04122       -.04583        -.00032
IMP6             .09455        .78552        -.05934        .03049        -.00205
IMP7            -.09476        .68064         .12306        .19187         .00378
IMP8            -.08588        .42797         .21789        .12372         .09279
IMP9             .06871        .13376         .11376        .17620        -.08197
IMP10            .10963        .11305         .05360        .14761        -.04506
IMP11            .03701        .02380         .18010       -.02169         .08820
IMP12            .13079        .04380         .15408       -.09731         .11548
IMP13            .11555        .08937         .15054       -.06533         .06564
IMP14            .09190        .04987         .00979        .11818         .26450
IMP15            .09096        .02694        -.00009        .17229         .13311
IMP16           -.00023        .04012         .09900        .10703         .13155
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- - - - - - -   F A C T O R   A N A L Y S I S   - - - - - - -

          FACTOR 10   FACTOR  2   FACTOR  9   FACTOR 11   FACTOR  8

IMP17       .01204      .16877      .15672      .16919      .00658
IMP18       .09468      .09116      .34093      .09406     -.19199
IMP19      -.00044      .13200      .12623      .53546      .06312
IMP20      -.00723      .12173      .08818      .16025      .07647
IMP21       .06816      .00113      .03123      .12366     -.00184
IMP22       .14050     -.03617     -.05139      .17885     -.10337
IMP23      -.06007      .03115      .10643     -.05165      .13428
IMP24       .13871      .10074      .11697     -.25232      .09901
IMP25       .15139      .13803      .07166     -.11713      .12631
IMP26       .11591     -.00321     -.02708      .11183      .26149
IMP27       .14133      .23735      .01070     -.02635      .09437
IMP28       .08404      .12443     -.08263      .09675      .06526
IMP29       .06264      .12382      .05531      .04938      .03573
IMP30       .06957      .04379      .07323      .28828      .17648
IMP31       .04228      .10347      .03558      .04916     -.10168
IMP32       .08148     -.02428      .03506     -.02298      .06350
IMP33       .28248      .01196     -.08007      .25104      .09495
IMP34       .14428      .09543      .10877      .61811      .23966
IMP35       .10693      .06386      .24418      .14701      .57939
IMP36       .07723      .02651     -.06727     -.01100      .16662
IMP37       .16092     -.05017      .01893      .09402      .63422
IMP38       .20048      .00127      .16513      .00466      .45300
IMP39       .08927      .05837      .15137      .02985      .18893
IMP40       .09813      .15999      .09250      .12099      .04657
IMP41       .02476      .06961      .05461      .19433      .06266
IMP42       .12374      .02162      .19761      .14154      .47219
IMP43       .04334      .13810      .06116      .19748      .16364
IMP44       .05617     -.01667      .78112      .10164      .13441
IMP45       .19244      .03506      .80988      .04647      .06929
IMP46       .41998     -.06156      .26723      .10159     -.10680
IMP47       .76568      .08770      .09387      .07660      .09654
IMP48       .40365      .08585      .35124      .23545      .28211
IMP49       .68289      .12276      .11140      .12401      .15519
IMP50       .35475      .08880      .04995      .58426      .04482
IMP51       .27047     -.11582      .23660      .38905     -.24699


          FACTOR  1

IMP1        .55837
IMP2        .63814
IMP3        .68347
IMP5        .09486
IMP6       -.01246
IMP7       -.01701
IMP8        .08509
IMP9        .05196
IMP10       .02412
IMP11       .05511
IMP12       .11106
IMP13       .06703
IMP14       .06514
IMP15      -.02227
IMP16       .05743
IMP17      -.04102
IMP18      -.00541
IMP19      -.02001
IMP20      -.06791                                         FACTOR  1
IMP21      -.03711
IMP22       .06561                             IMP38         .10879
IMP23       .00035                             IMP39         .10163
IMP24       .11177                             IMP40         .05688
IMP25       .06011                             IMP41         .04606
IMP26       .12381                             IMP42        -.10626
IMP27       .10196                             IMP43         .02055
IMP28      -.09066                             IMP44         .03272
IMP29       .01108                             IMP45         .02061
IMP30       .04540                             IMP46         .12331
IMP31       .22203                             IMP47        -.01214
IMP32       .08696                             IMP48         .12521
IMP33       .10611                             IMP49         .16003
IMP34       .07337                             IMP50         .07845
IMP35      -.05225                             IMP51        -.03792
IMP36      -.00518
IMP37       .11240
```

FACTOR ANALYSIS - CORRELATION MATRICES

Factor I:

	2	3	Loading
1	.14	.12	.55
2	--	.27	.63
3		--	.68

Factor II

	6	7	8	Loading
5	.53	.29	.18	.67
6	--	.46	.32	.78
7		--	.47	.68
8			--	.42

FACTOR III

	10	11	12	13	14	15	16	17	26	Loading
9	.50	.50	.47	.49	.45	.45	.52	.43	.40	.63
10	--	.52	.48	.60	.50	.52	.45	.42	.28	.69
11		--	.62	.64	.48	.47	.50	.43	.32	.68
12			--	.65	.57	.45	.57	.38	.42	.70
13				--	.50	.48	.53	.40	.41	.66
14					--	.49	.47	.37	.62	.71
15						--	.52	.43	.40	.66
16							--	.51	.42	.63
17								--	.33	.52
26									--	.47

FACTOR ANALYSIS - CORRELATION MATRIX

FACTOR IV:

	21	22	23	24	25	33	Loading
20	.60	.43	.45	.44	.50	.35	.70
21	--	.74	.49	.46	.58	.46	.72
22		--	.45	.40	.48	.41	.55
23			--	.54	.50	.26	.41
24				--	.68	.34	.51
25					--	.37	.58
33						--	.39

FACTOR V:

	28	29	30	23	Loading
27	.42	.43	.48	.37	.51
28	--	.44	.42	.45	.51
29		--	.52	.42	.68
30			--	.44	.63
23				--	.54

FACTOR ANALYSIS - CORRELATION MATRICES

FACTOR VI:

	32	36	42	Loading
31	.48	.45	.29	.74
32	--	.54	.40	.73
36		--	.46	.39
42			--	.47

FACTOR VII:

	39	40	41	43	Loading
38	.55	.48	.46	.44	.52
39	--	.58	.48	.51	.65
40		--	.55	.52	.71
41			--	.50	.66
43				--	.52

FACTOR ANALYSIS - CORRELATION MATRICES

FACTOR VIII:

	37	42	Loading
35	.43	.30	.57
37	--	.39	.63
42		--	.47

FACTOR IX:

	45	Loading
44	.65	.78
45	--	.80

FACTOR X:

	47	48	49	Loading
46	.33	.36	.28	.41
47	--	.42	.51	.76
48		--	.41	.40
49			--	.68

FACTOR XI:

	51	19	34	Loading
50	.25	.41	.47	.58
51	--	.20	.17	.38
19		--	.50	.53
34			--	.61

APPENDIX F

COMPARISON OF IMPORTANCE RATINGS OF TASKS BY GROUPS

TABLE F-1

MEAN RATINGS OF IMPORTANCE OF TASKS BY CFP - NON-CFP HOLDERS

	NOT A CFP				CFP	
FACTOR	N	MEAN	SD	N	MEAN	SD
I	95	3.02	.61	363	2.96	.64
II	95	3.81	.35	360	3.82	.35
III	94	3.44	.52	359	3.46	.48
IV	95	3.30	.61	361	3.40	.53
V	95	3.58	.50	360	3.71	.37
VI	94	3.32	.74	361	3.42	.67
VII	94	3.45	.56	360	3.49	.49
VIII	95	3.37	.62	362	3.38	.62
IX	94	3.57	.54	363	3.54	.66
X	94	3.11	.66	361	3.18	.70
XI	95	3.00	.63	360	3.01	.65

TABLE F-2

MEAN RATINGS OF IMPORTANCE OF TASKS BY PLACE OF EMPLOYMENT

	FINANCIAL PLANNING FIRM			OTHER FIRMS		
FACTOR	N	MEAN	SD	N	MEAN	SD
I	354	3.00	.63	100	2.92	.65
II	351	3.83	.33	100	3.78	.41
III	351	3.49	.47	98	3.34	.52
IV	352	3.42	.52	100	3.23	.63
V	353	3.72	.37	98	3.54	.50
VI	351	3.39	.64	100	3.41	.84
VII	352	3.51	.47	98	3.37	.59
VIII	353	3.43	.57	100	3.19	.74
IX	353	3.55	.62	100	3.52	.72
X	351	3.22	.66	100	2.97	.77
XI	352	3.02	.62	99	2.95	.71

TABLE F-3

MEAN RATINGS OF IMPORTANCE OF TASKS BY YEARS OF EXPERIENCE

FIVE YEARS OR LESS				SIX YEARS OR MORE		
FACTOR	N	MEAN	SD	N	MEAN	SD
I	144	2.90	.67	314	3.01	.62
II	143	3.78	.35	312	3.84	.35
III	143	3.39	.46	310	3.49	.50
IV	144	3.34	.53	312	3.40	.56
V	143	3.67	.38	312	3.69	.41
VI	144	3.24	.72	311	3.47	.66
VII	143	3.42	.53	311	3.51	.49
VIII	143	3.32	.64	314	3.41	.60
IX	143	3.54	.69	314	3.55	.62
X	144	2.98	.78	311	3.25	.63
XI	144	2.96	.64	311	3.03	.65

TABLE F-4

MEAN RATINGS OF IMPORTANCE OF TASKS BY EDUCATION

BACHELOR'S DEGREE OR LESS				MASTER'S DEGREE OR MORE		
FACTOR	N	MEAN	SD	N	MEAN	SD
I	244	2.96	.64	213	2.99	.63
II	244	3.82	.36	210	3.82	.33
III	241	3.48	.48	211	3.43	.50
IV	244	3.40	.50	211	3.36	.59
V	241	3.69	.40	213	3.68	.41
VI	244	3.43	.64	210	3.35	.74
VII	241	3.52	.50	212	3.43	.51
VIII	244	3.42	.58	212	3.32	.65
IX	244	3.53	.66	212	3.56	.61
X	243	3.19	.67	211	3.13	.72
XI	242	3.00	.62	212	3.02	.67

TABLE F-5

MEAN RATINGS OF IMPORTANCE OF TASKS BY RESPONDENTS AND "NON-RESPONDENTS"

	RESPONDENTS			"NON-RESPONDENTS"		
FACTOR	N	MEAN	SD	N	MEAN	SD
I	466	2.94	.64	99	2.90	.75
II	465	3.80	.40	97	3.63	.60
III	461	3.42	.51	98	3.32	.60
IV	465	3.33	.63	96	3.21	.68
V	460	3.64	.51	100	3.41	.62
VI	461	3.35	.74	99	3.32	.76
VII	462	3.47	.53	98	3.31	.64
VIII	465	3.32	.69	98	3.25	.73
IX	464	3.49	.70	100	3.44	.74
X	463	3.06	.79	99	3.02	.72
XI	460	2.99	.69	99	2.95	.62

APPENDIX G

MEAN RATINGS OF IMPORTANCE OF TOPICS OF KNOWLEDGE AND LEVEL OF KNOWLEDGE OF NEW PLANNERS

Using the scales below, please circle the number in each column that best describes your judgment.

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

G - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

		Importance		Knowledge	
		Mean	SD	Mean	SD
52.	Financial planning process	3.707	.567	2.969	.879
53.	Financial statements	3.404	.685	2.714	.890
54.	Cash management/budgeting	3.086	.877	2.670	.913
55.	Monetary/fiscal policy	2.701	.885	1.814	.919
56.	Business cycles/trends	2.834	.902	1.920	.957
57.	Financial calculation/computing	3.212	.808	2.722	.936
58.	Regulatory requirements	3.287	.858	2.562	1.062
59.	Time value of money	3.478	.710	3.049	.875
60.	Ethical standards and practices	3.710	.570	3.303	.900
61.	Personal counseling and guidance	3.611	.618	2.788	.900
62.	Client psychology (motives, knowledge, attitudes, behavior)	3.607	.644	2.742	.943
	COMMUNICATION				
63.	Reading/writing	3.580	.580	3.031	.901
64.	Listening/talking/speaking	3.801	.421	3.151	.827
65.	Techniques of implementation, negotiation, persuasion....	3.434	.782	2.625	.894

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

H - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

		Importance		Knowledge	
		Mean	SD	Mean	SD
66.	Exposures and self insurance	3.052	.821	2.384	.935
67.	Risk management	3.142	.745	2.492	.874
68.	Insurance: needs/process/products/ contracts	3.190	.749	2.516	.873
69.	Fidelity/surety bonding	1.775	1.028	1.459	.947
70.	Regulatory requirements	2.948	1.021	2.339	1.095
71.	Life insurance	3.334	.728	2.749	.834
72.	Disability insurance	3.261	.805	2.724	.876
73.	Medical, nursing, health insurance	2.804	.960	2.393	.955
74.	Property insurance	2.447	.973	2.106	.939
75.	Casualty and liability insurance	2.534	.958	2.157	.945
76.	Business insurance	2.694	.996	2.142	.984
77.	Social insurance (e.g. Social Security, Workman's Compensation)	2.526	.919	2.184	.913
78.	Group vs individual insurance	2.625	.941	2.199	.934
79.	Policy provisions/options/benefits	2.869	.863	2.389	.967

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

I - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

		Importance		Knowledge	
		Mean	SD	Mean	SD
80.	Investment planning process	3.675	.547	2.846	.867
81.	Regulatory requirements	3.300	.844	2.519	1.042
82	Risk/return characteristics	3.522	.578	2.731	.872
83.	Fixed-income securities	3.284	.706	2.533	.853
84.	Government securities	3.171	.757	2.467	.856
85.	Common stock	3.118	.851	2.435	.877
86.	Convertible securities	2.739	.999	2.130	.909
87.	Futures, puts/calls	1.708	1.079	1.379	.929
88.	Physical assets and collectibles	1.993	1.035	1.643	.928
89.	Real estate	3.237	.751	2.488	.862
90.	Insurance-based investments	3.022	.899	2.442	.883
91.	Mutual funds/investment companies	3.610	.567	2.792	.874
92.	Unit Trusts	2.831	1.008	2.315	.941
93.	Investment analysis	3.432	.744	2.612	.979
94.	Portfolio construction/management	3.251	.891	2.421	1.049
95.	The economy and investment strategies	3.164	.791	2.324	.925
96.	Structures of ownership (MLPS, S Corp., Etc.)	2.996	.903	2.202	.974
97.	Foreign investments and currencies	1.886	1.072	1.397	.931
98.	Other investment vehicles	2.290	1.087	1.749	1.009

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

J - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

		Importance		Knowledge	
		Mean	SD	Mean	SD
99.	Tax law (overview)	3.624	.584	2.679	.923
100.	Tax planning research	2.882	.938	2.109	.938
101.	Individual income tax calculation	3.007	1.021	2.389	1.070
102.	Business forms: partnerships and sole proprietorships	2.897	.958	2.163	.943
103.	Business forms: S Corp., C Corp.	2.857	.993	2.101	.940
104.	Tax Accounting: methods and periods	2.289	1.066	1.725	.929
105.	Property Transactions: acquisition, maintainence and disposition	2.450	1.047	1.774	.947
106.	Family tax planning (e.g. charitable contributions, income shifting)	3.103	.809	2.265	.947
107.	Marital separation, divorce	2.509	.986	1.909	.935
108.	Compensation tax planning	2.836	.997	2.056	.975
109.	Direct participation programs (real estate, oil and gas/leasing/research)	2.961	1.032	2.238	1.002
110.	Tax aspects of life insurance, annuities, securities	3.317	.745	2.564	.921
111.	Special tax calculations & considerations (alternative minimum, sale of home, etc.)	3.228	.814	2.436	.977
112.	Tax traps/tax planning pitfalls (e.g. passive losses, phantom income)	3.409	.741	2.518	.970
113.	Personal management of tax liabilities (e.g. penalties, lum sum distribution)	3.223	.805	2.400	.962
114.	Foreign taxation	1.284	1.005	.933	.905
115.	Retirement distribution and taxation	3.374	.715	2.477	.908
116.	Income taxation of trusts & estates	2.781	.939	2.018	.985

IMPORTANCE FOR YOU	LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Of no importance	(0) Not needed or used
(1) Of little importance	(1) Facts/Terms
(2) Moderately important	(2) Comprehension/Application
(3) Very important	(3) Analysis/Synthesis
(4) Extremely important	(4) Evaluation

K - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

		Importance		Knowledge	
		Mean	SD	Mean	SD
117.	Retirement planning and computation of funds needed to meet objectives	3.600	.613	2.820	.891
118.	Tax-deferred retirement plans: IRA, SEP, TSA (403b)	3.422	.651	2.565	.880
119.	Retirement plan qualifications (eligibility, ERISA requirements, integration, termination)	2.795	.918	1.996	.921
120.	Defined contribution plans(money purchase,profit-sharing,401k,stock bonus)	3.101	.791	2.164	.914
121.	Defined benefit plans	2.904	.921	2.047	.947
122.	Target benefit plans	2.579	1.002	1.850	.933
123.	Distribution options for qualified plans	3.184	.854	2.269	.987
124.	Qualified retirement plan selection/ strategies	3.199	.820	2.276	.978
125.	Social Security and Medicare	2.540	.938	2.002	.944
126.	Group life insurance plans and income tax consequences	2.615	.939	1.980	.889
127.	Group health insurance benefits and income tax consequences	2.501	.969	1.928	.898
128.	Nonqualified deferred compensation plans and income tax consequences	2.789	.947	1.984	.940
129.	Identification and coordination of retirement assets and goals	3.611	.590	2.764	.921
130.	Retirement plan vehicles (charitable remainder trusts, reverse amortization mortgage)	2.770	.954	1.973	.964
131.	Post retirement and senior citizen planning	2.956	.926	2.167	.998

IMPORTANCE FOR YOU
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

L - ESTATE PLANNING

Financial planners understand the estate planning process.

		Importance		Knowledge	
		Mean	SD	Mean	SD
132.	Estate planning process	3.449	.699	2.543	.963
133.	Federal/state estate taxation	3.241	.766	2.308	.923
134.	Federal/state gift taxation	3.066	.843	2.212	.948
135.	Gross estate valuation and exclusions	3.053	.871	2.213	.983
136.	Gift and estate tax computation	2.877	.965	2.131	.993
137.	Wills, intestacy, probate	3.083	.855	2.249	.976
138.	Trusts	3.094	.816	2.188	.910
139.	Ownership of property	3.257	.740	2.437	.932
140.	Will substitutes/probate avoidance	3.024	.905	2.238	.944
141.	Life insurance contracts	3.158	.786	2.435	.930
142.	Lifetime transfers, gifts to minors	3.035	.841	2.289	.940
143.	Marital and charitable transfers	3.000	.877	2.231	.930
144.	Intrafamily business and property transfers	2.868	.960	2.040	.956
145.	Special premortem planning (e.g. living will, organ donation, letters of instruction)	2.410	1.080	1.721	.985
146.	Postmortem planning	2.590	1.034	1.805	1.023
147.	Utilization of business as an estate planning tool	2.987	.965	2.100	.956
148.	Coordination of ownership and dispositive arrangements of property	2.934	.929	2.124	.972
149.	Beneficiary designation of insurance and retirement benefits	3.285	.760	2.497	.960
150.	Estate liquidity needs	3.402	.686	2.604	.913

APPENDIX H

PERCENT OF RESPONDENTS RATING EACH TOPIC ON EACH LEVEL OF KNOWLEDGE

Using the scales below, please circle the number in each column that best describes your judgment.

LEVEL OF KNOWLEDGE OF NEW PLANNERS

(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

G - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

	(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
52. Financial planning process	(2.8)	(30.7)	(30.7)	(33.3)
53. Financial statements	(8.5)	(32.4)	(38.3)	(20.8)
54. Cash management/budgeting	(8.1)	(36.7)	(34.0)	(21.2)
55. Monetary/fiscal policy	(36.8)	(42.6)	(15.0)	(5.6)
56. Business cycles/trends	(32.5)	(42.2)	(18.2)	(7.1)
57. Financial calculation/computing	(8.5)	(32.3)	(35.9)	(23.3)
58. Regulatory requirements	(13.3)	(39.7)	(20.3)	(26.6)
59. Time value of money	(3.8)	(23.3)	(36.6)	(36.4)
60. Ethical standards and practices	(3.8)	(18.6)	(21.2)	(56.4)
61. Personal counseling and guidance	(3.8)	(34.3)	(37.2)	(24.6)
62. Client psychology (motives, knowledge, attitudes, behavior)	(7.2)	(34.2)	(33.5)	(25.2)
COMMUNICATION				
63. Reading/writing	(4.7)	(23.8)	(34.7)	(36.9)
64. Listening/talking/speaking	(2.4)	(20.4)	(36.8)	(40.4)
65. Techniques of implementation, negotiation, persuasion....	(6.3)	(40.8)	(34.1)	(18.8)

LEVEL OF KNOWLEDGE OF NEW PLANNERS

(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

H - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

		(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
66.	Exposures and self insurance	(15.8)	(43.5)	(25.9)	(14.7)
67.	Risk management	(11.4)	(42.3)	(32.1)	(14.3)
68.	Insurance: needs/process/products/ contracts	(10.0)	(42.3)	(32.3)	(14.9)
69.	Fidelity/surety bonding	(48.3)	(38.0)	(9.8)	(3.4)
70.	Regulatory requirements	(19.3)	(40.1)	(20.0)	(20.6)
71.	Life insurance	(4.4)	(35.7)	(39.6)	(20.2)
72.	Disability insurance	(6.4)	(35.4)	(36.9)	(21.2)
73.	Medical, nursing, health insurance	(15.6)	(41.7)	(27.7)	(15.0)
74.	Property insurance	(23.4)	(45.8)	(22.0)	(8.8)
75.	Casualty and liability insurance	(22.7)	(44.4)	(23.0)	(10.0)
76.	Business insurance	(23.3)	(41.9)	(24.7)	(10.1)
77.	Social insurance (e.g. Social Security, Workman's Compensation)	(19.6)	(47.0)	(24.4)	(9.0)
78.	Group vs individual insurance	(20.9)	(45.5)	(23.1)	(10.5)
79.	Policy provisions/options/benefits	(17.1)	(41.0)	(26.1)	(15.8)

LEVEL OF KNOWLEDGE OF NEW PLANNERS

(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

I - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

		(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
80.	Investment planning process	(4.5)	(31.7)	(37.7)	(25.9)
81.	Regulatory requirements	(17.0)	(36.5)	(23.0)	(23.5)
82	Risk/return characteristics	(7.6)	(31.0)	(41.5)	(19.9)
83.	Fixed-income securities	(9.0)	(42.5)	(34.2)	(14.3)
84.	Government securities	(10.5)	(44.7)	(31.8)	(13.0)
85.	Common stock	(12.6)	(42.6)	(32.5)	(12.3)
86.	Convertible securities	(23.6)	(45.4)	(22.7)	(8.4)
87.	Futures, puts/calls	(53.9)	(34.0)	(8.4)	(3.7)
88.	Physical assets and collectibles	(42.3)	(40.1)	(13.6)	(3.9)
89.	Real estate	(11.0)	(41.7)	(34.3)	(13.0)
90.	Insurance-based investments	(11.2)	(45.2)	(30.1)	(13.5)
91.	Mutual funds/investment companies	(4.7)	(34.1)	(37.2)	(24.0)
92.	Unit Trusts	(15.7)	(45.6)	(26.0)	(12.8)
93.	Investment analysis	(11.9)	(35.5)	(30.3)	(22.2)
94.	Portfolio construction/management	(16.2)	(36.0)	(29.6)	(18.2)
95.	The economy and investment strategies	(16.7)	(43.7)	(27.6)	(12.1)
96.	Structures of ownership (MLPS, S Corp., Etc.)	(21.1)	(43.5)	(23.9)	(11.5)
97.	Foreign investments and currencies	(50.0)	(37.3)	(9.8)	(2.9)
98.	Other investment vehicles	(36.6)	(41.3)	(15.4)	(6.7)

LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

J - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

		(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
99.	Tax law (overview)	(9.4)	(35.6)	(32.7)	(22.3)
100.	Tax planning research	(24.0)	(45.4)	(21.5)	(9.1)
101.	Individual income tax calculation	(19.4)	(33.4	(29.0)	(18.2)
102.	Business forms: partnerships and sole proprietorships	(22.7)	(44.3)	(23.0)	(10.0)
103.	Business forms: S Corp., C Corp.	(25.3)	(43.8)	(21.9)	(8.9)
104.	Tax Accounting: methods and periods	(41.5)	(39.3)	(14.2)	(5.0)
105.	Property Transactions: acquisition, maintainence and disposition	(38.2)	(41.9)	(13.7)	(6.2)
106.	Family tax planning (e.g. charitable contributions, income shifting)	(20.3)	(42.1	(25.9)	(11.7)
107.	Marital separation, divorce	(33.1)	(44.1)	(15.4)	(7.4)
108.	Compensation tax planning	(26.3)	(44.5)	(19.6)	(9.7)
109.	Direct participation programs (real estate, oil and gas/leasing/research)	(19.1)	(43.1)	(24.9)	(12.9)
110.	Tax aspects of life insurance, annuities, securities	(11.1)	(40.2)	(29.8)	(18.9)
111.	Special tax calculations & considerations (alternative minimum, sale of home, etc.)	(14.9)	(39.1)	(29.8)	(16.3)
112.	Tax traps/tax planning pitfalls (e.g. passive losses, phantom income)	(13.7)	(37.0)	(30.9)	(18.14)
113.	Personal management of tax liabilities (e.g. penalties, lum sum distribution)	(16.7)	(39.6)	(28.6)	(15.1)
114.	Foreign taxation	(67.8)	(23.2)	(6.2)	(2.7)
115.	Retirement distribution and taxation	(11.5)	(43.0)	(30.2)	(15.3)
116.	Income taxation of trusts & estates	(28.9)	(41.3)	(21.0)	(8.8)

LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

K - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

		(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
117.	Retirement planning and computation of funds needed to meet objectives	(6.2)	(30.3)	(38.1)	(25.4
118.	Tax-deferred retirement plans: IRA, SEP, TSA (403b)	(9.3)	(40.7)	(33.6)	(16.4
119.	Retirement plan qualifications (eligibility, ERISA requirements, integration, termination)	(30.2)	(42.2)	(21.1)	(6.6)
120.	Defined contribution plans(money purchase,profit-sharing,401k,stock bonus)	(23.9)	(43.5)	(23.4)	(9.2)
121.	Defined benefit plans	(27.9)	(42.7)	(21.2)	(8.2)
122.	Target benefit plans	(34.8)	(42.3)	(17.3)	(5.6)
123.	Distribution options for qualified plans	(19.9)	(40.0)	(27.9)	(12.3)
124.	Qualified retirement plan selection/strategies	(19.5)	(41.7)	(25.9)	(12.9)
125.	Social Security and Medicare	(30.7)	(42.7)	(18.2)	(8.4)
126.	Group life insurance plans and income tax consequences	(28.2)	(47.5)	(18.0)	(6.4)
127.	Group health insurance benefits and income tax consequences	(31.8)	(45.5)	(16.3)	(6.4)
128.	Nonqualified deferred compensation plans and income tax consequences	(30.1)	(43.6)	(18.5)	(7.8)
129.	Identification and coordination of retirement assets and goals	(7.4)	(32.4)	(35.5)	(24.8)
130.	Retirement plan vehicles (charitable remainder trusts, reverse amortization mortgage)	(30.6)	(41.9)	(19.6)	(7.8)
131.	Post retirement and senior citizen planning	(22.8)	(42.5)	(23.0)	(11.7)

LEVEL OF KNOWLEDGE OF NEW PLANNERS
(0) Not needed or used
(1) Facts/Terms
(2) Comprehension/Application
(3) Analysis/Synthesis
(4) Evaluation

L - ESTATE PLANNING

Financial planners understand the estate planning process.

		(1) Knowledge(%)	(2) Comp/App(%)	(3) Anal/Syn(%)	(4) Eval.(%)
132.	Estate planning process	(12.3)	(41.5)	(25.2)	(21.0)
133.	Federal/state estate taxation	(19.3)	(42.1)	(26.7)	(12.0)
134.	Federal/state gift taxation	(21.7)	(43.5)	(23.5)	(11.2)
135.	Gross estate valuation and exclusions	(23.5)	(40.4)	(23.9)	(12.2)
136.	Gift and estate tax computation	(25.3)	(41.7)	(21.9)	(11.2)
137.	Wills, intestacy, probate	(23.3)	(39.0)	(25.1)	(12.6)
138.	Trusts	(21.9)	(44.7)	(23.9)	(9.4)
139.	Ownership of property	(15.8)	(38.9)	(30.7)	(14.7)
140.	Will substitutes/probate avoidance	(21.6)	(41.2)	(26.4)	(10.8)
141.	Life insurance contracts	(13.8)	(43.7)	(26.7)	(15.8)
142.	Lifetime transfers, gifts to minors	(20.5)	(41.1)	(26.3)	(12.1)
143.	Marital and charitable transfers	(22.5)	(42.5)	(23.8)	(11.1)
144.	Intrafamily business and property transfers	(24.0)	(42.2)	(20.0)	(8.8)
145.	Special premortem planning (e.g. living will, organ donation, letters of instruction)	(40.6)	(38.2)	(15.1)	(6.0)
146.	Postmortem planning	(38.8)	(36.2)	(17.4)	(7.6)
147.	Utilization of business as an estate planning tool	(25.7)	(43.4)	(21.4)	(9.5)
148.	Coordination of ownership and dispositive arrangements of property	(23.5)	(44.7)	(21.2)	(10.5)
149.	Beneficiary designation of insurance and retirement benefits	(13.8)	(40.1)	(27.6)	(18.5)
150.	Estate liquidity needs	(9.4)	(41.2)	(29.2)	(20.3)

APPENDIX I

STATISTICAL LINKAGES BETWEEN TOPICS OF KNOWLEDGE AND JOB FACTORS

Correlations:	IMP52	IMP53	IMP54	IMP55	IMP56	IMP57	IMP58	IMP59	IMP60
FACTOR1	.1564**	.1080	.1998**	.0556	.0489	.1235*	.1122	.0629	-.0007
FACTOR2	.1588**	.1932**	.2085**	.0883	.0342	.1701**	.1687**	.1060	.0978
FACTOR3	.3647**	.4449**	.4201**	.4033**	.2940**	.3327**	.3779**	.3903**	.2859**
FACTOR4	.4110**	.5073**	.5089**	.3100**	.1884**	.4338**	.2737**	.3442**	.1826**
FACTOR5	.4082**	.3999**	.3389**	.3043**	.2505**	.3139**	.2747**	.3432**	.2450**
FACTOR6	.1702**	.1633**	.1212*	.0913	.0921	.1324*	.2048**	.0900	.1097
FACTOR7	.3304**	.4005**	.3164**	.3458**	.3344**	.3136**	.3594**	.3699**	.2482**
FACTOR8	.2277**	.3721**	.2965**	.3758**	.2866**	.2649**	.3457**	.2329**	.2186**
FACTOR9	.2066**	.2832**	.2473**	.2716**	.1915**	.3051**	.6427**	.3027**	.4330**
FACTOR10	.2686**	.3204**	.3841**	.2857**	.2082**	.2566**	.4526**	.2566**	.2129**
FACTOR11	.2567**	.3789**	.3676**	.2301**	.2192**	.3070**	.3667**	.2597**	.2636**

Correlations:	IMP61	IMP62	IMP63	IMP64	IMP65	IMP66	IMP67	IMP68	IMP69
FACTOR1	.2121**	.2685**	.1169	.2133**	.2968**	.1500*	.1699**	.1480*	.1436*
FACTOR2	.0702	.1769**	.3006**	.2432**	.1594**	.1685**	.1887**	.3042**	.0866
FACTOR3	.3247**	.3086**	.3301**	.2728**	.2768**	.4952**	.5127**	.3980**	.2589**
FACTOR4	.2750**	.2448**	.3786**	.2249**	.1748**	.4952**	.4970**	.3688**	.3222**
FACTOR5	.3243**	.2550**	.3739**	.3843**	.1984**	.3634**	.4135**	.2839**	.2480**
FACTOR6	.0887	.2189**	.1529*	.1670**	.3741**	.1922**	.2632**	.3557**	.1434*
FACTOR7	.4026**	.3579**	.3797**	.3707**	.2926**	.3848**	.4655**	.3544**	.2672**
FACTOR8	.2282**	.1414*	.2408**	.1979**	.2099**	.3991**	.4049**	.3053**	.3062**
FACTOR9	.2410**	.1415*	.2623**	.1953**	.1371*	.3190**	.3102**	.2944**	.2720**
FACTOR10	.2654**	.2812**	.2710**	.2408**	.3274**	.3308**	.3856**	.3745**	.3432**
FACTOR11	.2369**	.2335**	.3129**	.1993**	.3156**	.4395**	.4057**	.3991**	.3233**

Correlations:	IMP70	IMP71	IMP72	IMP73	IMP74	IMP75	IMP76	IMP77	IMP78
FACTOR1	.0606	.1798**	.1853**	.1024	.1037	.0753	.1291*	.0922	.1475*
FACTOR2	.0945	.2441**	.2260**	.1593**	.0853	.0739	.1076	.1768**	.1755**
FACTOR3	.3512**	.3661**	.4421**	.4152**	.3569**	.3586**	.2784**	.3577**	.3776**
FACTOR4	.2459**	.3477**	.4077**	.3915**	.3360**	.3518**	.2454**	.3876**	.3830**
FACTOR5	.2513**	.2078**	.2353**	.2255**	.2439**	.2788**	.1084	.2895**	.2313**
FACTOR6	.2669**	.2467**	.2221**	.1309*	.0360	.0194	.0983	.1170	.2361**
FACTOR7	.3240**	.3100**	.3330**	.3349**	.3012**	.2654**	.2107**	.3281**	.3473**
FACTOR8	.3852**	.1928**	.2384**	.3118**	.3148**	.2835**	.2097**	.2527**	.2856**
FACTOR9	.5693**	.2220**	.1638**	.2480**	.2078**	.1989**	.1439*	.2651**	.2709**
FACTOR10	.3808**	.3481**	.3088**	.3058**	.2144**	.1860**	.2954**	.2629**	.3474**
FACTOR11	.3546**	.3245**	.3100**	.3503**	.2343**	.2369**	.2689**	.3236**	.4257**

Correlations:	IMP79	IMP80	IMP81	IMP82	IMP83	IMP84	IMP85	IMP86	IMP87
FACTOR1	.1755**	.2025**	.0954	.2035**	.1130	.1319*	.1482*	.1553*	.1100
FACTOR2	.2184**	.2005**	.1199*	.1759**	.2031**	.1549*	.1293*	.0985	.0619
FACTOR3	.3649**	.3966**	.3484**	.3435**	.4064**	.3824**	.3096**	.3154**	.2294**
FACTOR4	.3920**	.3959**	.2917**	.3492**	.3636**	.3289**	.2446**	.2325**	.1725**
FACTOR5	.2816**	.4713**	.2596**	.3181**	.2995**	.2645**	.2107**	.2701**	.1942**
FACTOR6	.1810**	.3035**	.2628**	.1880**	.2642**	.2461**	.1939**	.2088**	.1129
FACTOR7	.3598**	.4320**	.3405**	.3941**	.3679**	.3128**	.3081**	.3114**	.2463**
FACTOR8	.3164**	.3253**	.4067**	.2877**	.2990**	.2500**	.2438**	.3179**	.2918**
FACTOR9	.3313**	.1791**	.6869**	.2594**	.2691**	.2316**	.2115**	.2548**	.1599**
FACTOR10	.3090**	.2633**	.4181**	.1911**	.3389**	.3157**	.2748**	.2702**	.2614**
FACTOR11	.4032**	.2857**	.3927**	.2897**	.3978**	.3941**	.3379**	.3135**	.2577**

Correlations:	IMP88	IMP89	IMP90	IMP91	IMP92	IMP93	IMP94	IMP95	IMP96
FACTOR1	.0946	.2193**	.2823**	.1511*	.1463*	.1258*	.1054	.1107	1215*
FACTOR2	.0708	.1439*	.1706**	.1347*	.0677	.0195	.0149	.0531	.1478*
FACTOR3	.3318**	.2935**	.3029**	.3461**	.2212**	.2014**	.2020**	.2832**	.3179**
FACTOR4	.2910**	.2729**	.2687**	.3598**	.2369**	.1961**	.1932**	.2189**	.2977**
FACTOR5	.2474**	.2160**	.2076**	.2867**	.1489*	.3106**	.2635**	.2486**	.2957**
FACTOR6	.1175	.1772**	.3283**	.2194**	.2619**	.0908	.1439*	.1692**	.1458*
FACTOR7	.2870**	.2941**	.2703**	.2922**	.1981**	.2457**	.2455**	.3810**	.3235**
FACTOR8	.3320**	.2534**	.2753**	.2594**	.1527*	.2946**	.2162**	.3602**	.3666**
FACTOR9	.1985**	.1802**	.1978**	.2200**	.1352*	.1311*	.1160	.1583**	.1673**
FACTOR10	.2801**	.3607**	.3577**	.2719**	.2098**	.2703**	.1816**	.2783**	.3465**
FACTOR11	.3701**	.3662**	.3140**	.2915**	.2071**	.1970**	.1747**	.2755**	.3396**

Correlations:	IMP97	IMP98	IMP99	IMP100	IMP101	IMP102	IMP103	IMP104	IMP105
FACTOR1	.2089**	.1098	.1335*	.0947	.0814	.1686**	.1769**	.1750**	.1424*
FACTOR2	.0415	.0467	.2446**	.1659**	.1282*	.1205*	.1038	.1281*	.0407
FACTOR3	.2197**	.2768**	.3212**	.2517**	.2316**	.3713**	.3351**	.3338**	.2691**
FACTOR4	.2249**	.2652**	.3424**	.3896**	.3536**	.3505**	.2912**	.2948**	.2570**
FACTOR5	.2498**	.2953**	.2908**	.2676**	.1806**	.2268**	.2000**	.2127**	.2253**
FACTOR6	.1640**	.1693**	.1561*	.0865	.0591	.0812	.0628	.0768	.0254
FACTOR7	.3083**	.3486**	.4165**	.4042**	.2557**	.3429**	.3268**	.2858**	.3085**
FACTOR8	.3359**	.3361**	.2796**	.4018**	.3133**	.3477**	.3286**	.3677**	.3343**
FACTOR9	.1245*	.1532*	.2347**	.2650**	.1566**	.2364**	.2215**	.1902**	.2438**
FACTOR10	.2993**	.3631**	.2822**	.3490**	.1911**	.3365**	.3467**	.2738**	.2926**
FACTOR11	.2690**	.2667**	.2401**	.3145**	.2240**	.3546**	.3180**	.2895**	.2689**

Correlations:	IMP106	IMP107	IMP108	IMP109	IMP110	IMP111	IMP112	IMP113	IMP114
FACTOR1	.1089	.1756**	.1670**	.2637**	.2502**	.1723**	.2533**	.1333*	.1848**
FACTOR2	.1836**	.1886**	.2184**	.1754**	.1858**	.1472*	.1198*	.1796**	.0068
FACTOR3	.3720**	.3607**	.3289**	.2953**	.3653**	.3355**	.3327**	.3223**	.2177**
FACTOR4	.3575**	.3374**	.3171**	.2793**	.3268**	.3647**	.2906**	.3255**	.1845**
FACTOR5	.2978**	.3004**	.2748**	.2500**	.2273**	.3061**	.3060**	.3670**	.2051**
FACTOR6	.1440*	.1132	.1262*	.3326**	.3162**	.2084**	.2840**	.2581**	.1021
FACTOR7	.4113**	.3818**	.3238**	.2753**	.2942**	.4316**	.3965**	.3669**	.2296**
FACTOR8	.3440**	.2520**	.3191**	.3584**	.2502**	.4044**	.4136**	.3199**	.2316**
FACTOR9	.1418*	.2156**	.1176	.1518*	.1787**	.1283*	.1732**	.1756**	.1547*
FACTOR10	.2569**	.2737**	.3080**	.2776**	.2572**	.3313**	.3623**	.3270**	.2139**
FACTOR11	.3453**	.3076**	.2755**	.2360**	.2585**	.2467**	.2323**	.2096**	.2256**

Correlations:	IMP115	IMP116	IMP117	IMP118	IMP119	IMP120	IMP121	IMP122	IMP123
FACTOR1	.1671**	.1282*	.1729**	.1386*	.1237*	.1128	.1894**	.1948**	.1625**
FACTOR2	.2050**	.1197*	.2234**	.2099**	.2364**	.1852**	.1823**	.1635**	.2614**
FACTOR3	.3660**	.3112**	.3858**	.3621**	.3775**	.3650**	.3149**	.3153**	.3313**
FACTOR4	.4060**	.3221**	.4525**	.3965**	.3851**	.3925**	.3387**	.3056**	.3623**
FACTOR5	.3408**	.2450**	.4112**	.3188**	.3153**	.3260**	.2600**	.2776**	.3832**
FACTOR6	.1762**	.0854	.1531*	.2224**	.2057**	.1233*	.1637**	.2213**	.1955**
FACTOR7	.3914**	.3306**	.3697**	.3166**	.4095**	.3549**	.3198**	.3735**	.3320**
FACTOR8	.2921**	.3196**	.2120**	.2381**	.3031**	.2588**	.3126**	.3335**	.2650**
FACTOR9	.2023**	.1549*	.1239*	.1829**	.2031**	.1284*	.1625**	.2345**	.1644**
FACTOR10	.3017**	.2730**	.2328**	.2192**	.2980**	.2100**	.2547**	.2987**	.2490**
FACTOR11	.2493**	.3154**	.1860**	.2159**	.3683**	.3167**	.3671**	.3519**	.2289**

Correlations:	IMP124	IMP125	IMP126	IMP127	IMP128	IMP129	IMP130	IMP131	IMP132
FACTOR1	.1513*	.0556	.1248*	.1244*	.1777**	.1097	.1451*	.1103	.1566**
FACTOR2	.1901**	.2177**	.2312**	.2074**	.1951**	.1494*	.1633**	.2187**	.1779**
FACTOR3	.3203**	.3586**	.3740**	.3755**	.3075**	.3229**	.3586**	.3874**	.3669**
FACTOR4	.3323**	.4290**	.4100**	.3914**	.2656**	.3724**	.3492**	.3936**	.2758**
FACTOR5	.2934**	.3010**	.2718**	.2389**	.1874**	.4009**	.3155**	.3750**	.2461**
FACTOR6	.1649**	.0582	.2317**	.1964**	.1300*	.1029	.2282**	.2642**	.0945
FACTOR7	.3888**	.3129**	.3663**	.3360**	.2493**	.3321**	.3730**	.4023**	.2830**
FACTOR8	.2700**	.2512**	.3143**	.3213**	.2645**	.2626**	.3897**	.3068**	.2186**
FACTOR9	.1093	.2292**	.2734**	.2805**	.1902**	.2009**	.2253**	.2661**	.1404*
FACTOR10	.1904**	.3141**	.3804**	.3775**	.3398**	.2237**	.3544**	.3127**	.2650**
FACTOR11	.2510**	.2885**	.3502**	.3529**	.2867**	.1944**	.3420**	.2887**	.3279**

Correlations:	IMP133	IMP134	IMP135	IMP136	IMP137	IMP138	IMP139	IMP140	IMP141
FACTOR1	.1753**	.1801**	.1652**	.1521*	.2077**	.1552*	.1514*	.1602**	.2254**
FACTOR2	.2052**	.1328*	.1536*	.1138	.1794**	.1498*	.2416**	.1511*	.2452**
FACTOR3	.3957**	.3424**	.3529**	.3193**	.4417**	.4220**	.4590**	.3735**	.4342**
FACTOR4	.3307**	.2972**	.3323**	.3212**	.3359**	.2845**	.3487**	.3249**	.3630**
FACTOR5	.2507**	.2111**	.1833**	.1763**	.2707**	.2508**	.3596**	.2630**	.2345**
FACTOR6	.0866	.1024	.0601	-.0068	.1247*	.1357*	.1679**	.1503*	.2758**
FACTOR7	.3336**	.3035**	.3296**	.2771**	.3794**	.3831**	.4535**	.3923**	.3365**
FACTOR8	.3057**	.2993**	.2805**	.2684**	.2772**	.3330**	.3175**	.3532**	.2464**
FACTOR9	.1867**	.1949**	.1762**	.1323*	.2482**	.2638**	.2727**	.2547**	.3003**
FACTOR10	.2845**	.3068**	.2406**	.2278**	.2746**	.3581**	.3064**	.3275**	.2953**
FACTOR11	.3061**	.3254**	.2941**	.2716**	.3241**	.3447**	.3516**	.3677**	.3071**

Correlations:	IMP142	IMP143	IMP144	IMP145	IMP146	IMP147	IMP148	IMP149	IMP150
FACTOR1	.2431**	.1717**	.2087**	.1163	.0964	.1732**	.1743**	.1420*	.1564**
FACTOR2	.2278**	.1858**	.1382*	.1692**	.1674**	.1698**	.1646**	.2429**	.2137**
FACTOR3	.3628**	.4136**	.3776**	.3261**	.3485**	.3672**	.3627**	.3776**	.4031**
FACTOR4	.3479**	.3747**	.2864**	.2939**	.3069**	.2577**	.3036**	.3621**	.3683**
FACTOR5	.2449**	.2670**	.2300**	.2223**	.2462**	.2143**	.2384**	.2992**	.3364**
FACTOR6	.1888**	.1300*	.0894	.0868	.1258*	.0647	.0742	.2093**	.1841**
FACTOR7	.3738**	.4141**	.3644**	.3424**	.2988**	.3123**	.3509**	.3936**	.3776**
FACTOR8	.2704**	.3160**	.3510**	.3326**	.3074**	.2894**	.2541**	.2736**	.3007**
FACTOR9	.1720**	.2455**	.1839**	.2288**	.2226**	.1587**	.1763**	.2466**	.2028**
FACTOR10	.3450**	.3444**	.2990**	.2586**	.2530**	.2403**	.2732**	.3194**	.3043**
FACTOR11	.3347**	.3703**	.3687**	.3211**	.3073**	.3132**	.2987**	.3599**	.3428**

APPENDIX J

RATING FORM FOR JUDGMENTAL LINKAGES BETWEEN TOPICS OF KNOWLEDGE AND JOB FACTORS

KNOWLEDGE - JOB FACTOR RATINGS

Section 14C (4) of the Uniform Guidelines on Employee Selection Procedures (1978) states that where an examination procedure such as the CFP examination measures knowledge, the user should show that the knowledge..."is used in and is a necessary prerequisite to performance of critical or important work behavior(s)" rather than knowledge which a new planner is expected to learn on the job after certification.

This rating form is designed to find out the extent to which each of the ninety nine listed topics of knowledge are essential to the performance of each of the eleven listed job factors.

The central question is:

> "How important is it that a newly certified planner have this knowledge in order to perform each of the eleven job factors?" Use the rating scale below to describe each judgment of importance by writing a 0, 1, 2, 3, or 4 in the cell for each knowledge according to its importance to the particular job factor.

(0) Of no importance or is learned on the job.
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

FACTORS

I Prospects for clients
II Interviews clients
III Explains issues and concepts
IV Analyzes client circumstances
V Prepares financial plans
VI Implements financial plans
VII Monitors financial plans
VIII Monitors financial products
IX Complies with requirements
X Manages a practice
XI Collaborates with professionals

Using the scales below, please circle the number in each column that best describes your judgment.

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

G - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

FACTORS

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
52. Financial planning process											
53. Financial statements											
54. Cash management/budgeting											
55. Monetary/fiscal policy											
56. Business cycles/trends											
57. Financial calculation/computing											
58. Regulatory requirements											
59. Time value of money											
60. Ethical standards and practices											
61. Personal counseling and guidance											
62. Client psychology (motives, knowledge, attitudes, behavior)											
COMMUNICATION											
63. Reading/writing											
64. Listening/talking/speaking											
65. Techniques of implementation, negotiation, persuasion....											

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

H - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
66. Exposures and self insurance											
67. Risk management											
68. Insurance: needs/process/products/ contracts											
69. Fidelity/surety bonding											
70. Regulatory requirements											
71. Life insurance											
72. Disability insurance											
73. Medical, nursing, health insurance											
74. Property insurance											
75. Casualty and liability insurance											
76. Business insurance											
77. Social insurance (e.g. Social Security, Workman's Compensation)											
78. Group vs individual insurance											
79. Policy provisions/options/benefits											

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

I - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
80. Investment planning process											
81. Regulatory requirements											
82 Risk/return characteristics											
83. Fixed-income securities											
84. Government securities											
85. Common stock											
86. Convertible securities											
87. Futures, puts/calls											
88. Physical assets and collectibles											
89. Real estate											
90. Insurance-based investments											
91. Mutual funds/investment companies											
92. Unit Trusts											
93. Investment analysis											
94. Portfolio construction/management											
95. The economy and investment strategies											
96. Structures of ownership (MLPS, S Corp., Etc.)											
97. Foreign investments and currencies											
98. Other investment vehicles											

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

J - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

		FACTORS										
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI
99.	Tax law (overview)											
100.	Tax planning research											
101.	Individual income tax calculation											
102.	Business forms: partnerships and sole proprietorships											
103.	Business forms: S Corp., C Corp.											
104.	Tax Accounting: methods and periods											
105.	Property Transactions: acquisition, maintainence and disposition											
106.	Family tax planning (e.g. charitable contributions, income shifting)											
107.	Marital separation, divorce											
108.	Compensation tax planning											
109.	Direct participation programs (real estate, oil and gas/leasing/research)											
110.	Tax aspects of life insurance, annuities, securities											
111.	Special tax calculations & considerations (alternative minimum, sale of home, etc.)											
112.	Tax traps/tax planning pitfalls (e.g. passive losses, phantom income)											
113.	Personal management of tax liabilities (e.g. penalties, lum sum distribution)											
114.	Foreign taxation											
115.	Retirement distribution and taxation											
116.	Income taxation of trusts & estates											

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

K - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

FACTORS

		I	II	III	IV	V	VI	VII	VIII	IX	X	XI
117.	Retirement planning and computation of funds needed to meet objectives											
118.	Tax-deferred retirement plans: IRA, SEP, TSA (403b)											
119.	Retirement plan qualifications (eligibility, ERISA requirements, integration, termination)											
120.	Defined contribution plans(money purchase,profit-sharing,401k,stock bonus)											
121.	Defined benefit plans											
122.	Target benefit plans											
123.	Distribution options for qualified plans											
124.	Qualified retirement plan selection/ strategies											
125.	Social Security and Medicare											
126.	Group life insurance plans and income tax consequences											
127.	Group health insurance benefits and income tax consequences											
128.	Nonqualified deferred compensation plans and income tax consequences											
129.	Identification and coordination of retirement assets and goals											
130.	Retirement plan vehicles (charitable remainder trusts, reverse amortization mortgage)											
131.	Post retirement and senior citizen planning											

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

L - ESTATE PLANNING

Financial planners understand the estate planning process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
132. Estate planning process											
133. Federal/state estate taxation											
134. Federal/state gift taxation											
135. Gross estate valuation and exclusions											
136. Gift and estate tax computation											
137. Wills, intestacy, probate											
138. Trusts											
139. Ownership of property											
140. Will substitutes/probate avoidance											
141. Life insurance contracts											
142. Lifetime transfers, gifts to minors											
143. Marital and charitable transfers											
144. Intrafamily business and property transfers											
145. Special premortem planning (e.g. living will, organ donation, letters of instruction)											
146. Postmortem planning											
147. Utilization of business as an estate planning tool											
148. Coordination of ownership and dispositive arrangements of property											
149. Beneficiary designation of insurance and retirement benefits											
150. Estate liquidity needs											

APPENDIX K

JUDGMENTAL LINKAGES BETWEEN TOPICS OF KNOWLEDGE AND JOB FACTORS

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

MEAN RATINGS

G - GENERAL FINANCIAL PLANNING

Financial planners use a broad foundation of knowledge and skill to develop, implement and monitor a financial plan.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
52. Financial planning process	2.8	3.9	3.6	3.5	3.6	2.7	2.8	2.2	3.2	2.9	3
53. Financial statements	1.4	3.2	3.2	3.7	3.8	2.5	2.5	2.1	1.6	2	2.5
54. Cash management/budgeting	1.6	3.3	3.2	3.7	3.8	2.8	2.8	2	1.5	2.3	1.7
55. Monetary/fiscal policy	1.7	1.6	2.5	1.6	2.6	2.5	2.6	2.7	1	1.2	1.6
56. Business cycles/trends	2.4	1.9	2.7	2	2.8	3.2	3.2	3.3	1	2	1.6
57. Financial calculation/computing	1.5	2.5	3	3.8	3.9	2.8	3.4	3.3	1.1	2.8	2.3
58. Regulatory requirements	3.5	2.7	2.8	2.1	3.1	3.6	3.1	3	3.6	3.4	3.2
59. Time value of money	2.6	2.3	3.6	3.5	3.7	3.3	3.3	3.3	0.8	1.9	2.5
60. Ethical standards and practices	3.7	3.5	3.1	3	3.5	3.8	3.5	3.3	4	3.4	3.2
61. Personal counseling and guidance	2.7	3.6	3.8	2.6	2.8	3.3	3.1	2.5	0.5	2.2	2.4
62. Client psychology (motives, knowledge,...)	3.6	3.9	3.7	3.3	3.5	3.6	3.2	2.8	0.7	2	2.4
COMMUNICATION											
63. Reading/writing	3.3	2.4	3.4	3.3	3.8	3.2	3	2.8	2.4	2.4	2.3
64. Listening/talking/speaking	4	4	3.7	2.8	3	3.5	3	2.7	1.5	2.6	2.7
65. Techniques of implementation, negotiation,...	3.2	3.3	3.4	2.3	2.8	3.2	2.4	2.2	1.1	2.7	2.8

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

MEAN RATINGS

II - RISK MANAGEMENT

Financial planners understand risk analysis, risk management and the insurance process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
66. Exposures and self insurance	1.7	2.6	3.3	3.4	3.5	2.4	2.5	1.9	1.6	2.2	2.2
67. Risk management	1.8	2.5	3.3	3.5	3.6	3.2	2.8	2.3	2.2	2.2	2.3
68. Insurance: needs/process/products/contracts	2.3	2.6	3.5	3.5	3.8	3.5	2.9	2.8	2.1	2.1	2.4
69. Fidelity/surety bonding	0.4	0.6	0.9	1	1	0.9	1.2	0.8	0.9	1.9	1.1
70. Regulatory requirements	2.9	1.5	1.6	1.7	2.8	2.9	2.3	2.1	3.2	3.3	2.5
71. Life insurance	2.6	2.7	3.5	3.6	3.7	3.5	3.2	3	1.8	1.1	2.1
72. Disability insurance	2.5	2.6	3.4	3.5	3.6	3	2.7	2.4	1.8	1.9	2.1
73. Medical, nursing, health insurance	2	2.3	3.1	3.2	3.3	2.7	2.5	2.2	1.5	2.1	1.9
74. Property insurance	1.6	2	2.5	3	3.4	2.6	2.4	2.1	1.7	2.3	1.8
75. Casualty and liability insurance	1.6	2	2.6	3.2	3.3	2.6	2.5	2.1	1.7	2.3	1.8
76. Business insurance	1.6	2	2.6	3	3.2	2.6	2.5	2.1	1.6	2.5	2
77. Social insurance (e.g. Social Security....)	1.8	1.8	2.7	2.9	3.1	1.7	2.2	1.6	1.5	1.8	1.6
78. Group vs individual insurance	1.9	1.8	2.5	2.8	3.2	2.7	2.1	2	1.5	1.8	1.8
79. Policy provisions/options/benefits	1.5	2.2	3.2	3.5	3.5	3.5	3.2	2.6	1.5	1.5	2

MEAN RATINGS

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

I - INVESTMENT PLANNING

Financial planners understand investment processes and use knowledge about asset management.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
80. Investment planning process	2.9	3.2	3.5	3.5	3.9	2.9	3.4	2.6	2.7	2.3	3.1
81. Regulatory requirements	3.6	3.1	2.7	2.1	3.3	3.7	3.3	3.5	3.9	3.8	3
82. Risk/return characteristics	2.7	2.6	3.8	3.7	4	3.7	3.5	3.8	2	1.6	2.5
83. Fixed-income securities	2.5	2.6	3.2	3.1	3.3	3.5	3.4	3.3	1.9	1.4	2.3
84. Government securities	2.5	2.5	3.1	3.1	3.3	3.5	3.4	3.3	1.9	1.4	2.3
85. Common stock	2.5	2.5	3.2	3.2	3.3	3.5	3.4	3.4	1.9	1.4	2.3
86. Convertible securities	1.9	2.4	2.7	2.8	3.1	3.3	3.2	3.1	1.9	1.3	2.3
87. Futures, puts/calls	1.2	1.5	1.7	2.1	2.5	2.5	2.5	2.5	1.5	1.1	1.6
88. Physical assets and collectibles	1.8	1.9	2.2	2.4	2.7	2.9	2.6	2.6	1.7	1.3	1.8
89. Real estate	2.5	2.5	3.1	3.3	3.3	3.5	3.2	3.2	1.8	1.4	2.1
90. Insurance-based investments	2.5	2.5	2.9	3	3.2	3.5	3.1	3	1.8	1.4	2.2
91. Mutual funds/investment companies	2.6	2.6	3.3	3.2	3.4	3.6	3.2	3.2	1.8	1.4	2.1
92. Unit Trusts	2.3	2.3	2.7	2.9	3.3	3.3	3	2.9	1.7	1.3	2
93. Investment analysis	2.1	2	2.7	3.4	3.5	3.4	3	3	1.6	1.4	2.4
94. Portfolio construction/management	2.6	2.3	2.8	3.3	3.5	3.5	3.1	3.1	1.8	1.5	2.4
95. The economy and investment strategies	3	2.4	3.1	3.1	3.4	3.5	3	3.2	1.6	1.6	2.3
96. Structures of ownership (MLPS, S Corp., Etc.)	2.3	2.5	3	3.2	3.2	3	2.6	2.6	1.9	1.7	2.3
97. Foreign investments and currencies	1.3	1.3	1.4	1.7	2.1	2.1	2.1	1.8	1.5	1	1.5
98. Other investment vehicles	1.5	1.6	1.6	2	2.3	2.4	2.2	2	1.6	1	1.7

MEAN RATINGS

IMPORTANCE

(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

J - TAX PLANNING

Financial planners understand individual and business income taxation and the tax management process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
99. Tax law (overview)	3	2.8	3.5	3.7	3.8	2.7	3.3	3	2.6	2.5	2.6
100. Tax planning research	1.9	1.6	2.3	3.1	3.2	2.2	2	2.2	1.5	1.2	2.3
101. Individual income tax calculation	2.2	2.5	3.3	3.5	3.9	2.8	3	2.5	1.7	1.8	2.5
102. Business forms: partnerships and sole......	2.2	2.5	2.8	3.2	3.5	2.4	2.1	2.4	1.5	2.6	2.5
103. Business forms: S Corp., C Corp	2.4	2.5	2.8	3.2	3.5	2.4	2.1	2.4	1.5	2.6	2.5
104. Tax Accounting: methods and periods	1.5	2.2	2.4	2.7	2.9	1.6	1.5	2.1	1.2	2.7	2.5
105. Property Transactions: acquisition, ...	1.8	2	2.6	3.1	3.5	2.9	2.3	2.4	1.6	1.5	2.4
106. Family tax planning (e.g. charitable .....)	2.5	2.4	3	3.4	3.5	2.1	2.3	2.1	1.4	1.1	2.4
107. Marital separation, divorce	2.1	2.6	2.8	3.3	3.5	2.2	2.3	1.9	1.5	0.9	2.5
108. Compensation tax planning	2.2	2.2	2.6	3.2	3.5	2.2	2.4	2.3	1.4	1.5	2.5
109. Direct participation programs (real estate...)	1.7	1.7	2.6	3	3.1	3	2.5	2.4	1.5	0.9	2.1
110. Tax aspects of life insurance, annuities....	2.7	2.2	3.2	3.5	3.6	3.3	2.8	2.6	1.5	1.5	2.5
111. Special tax calculations and considerations...	2	2.2	3.2	3.5	3.8	3	3.1	2.8	1.5	1.1	2.5
112. Tax traps/tax planning pitfalls	2.6	2.6	3.1	3.6	3.7	3.2	3.1	2.9	1.5	1.5	2.5
113. Personal management of tax liabilities	2.2	2.5	3	3.4	3.6	2.5	2.6	2.5	1.5	1.5	2.5
114. Foreign taxation	0.7	0.9	1.1	1.3	1.2	1	1.1	1.2	0.8	0.5	1.5
115. Retirement distribution and taxation	2.6	2.8	3.3	3.6	3.6	2.5	2.7	2.2	1.5	1.3	2.5
116. Income taxation of trusts and estates	1.9	2.1	2.5	3	3	2.3	2.1	1.9	1.3	1.1	2.4

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

MEAN RATINGS

K - RETIREMENT PLANNING

Financial planners understand personal retirement planning, retirement benefits and the retirement planning process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
117. Retirement planning and computation of funds..	2.4	2.5	3.3	3.6	4	2.6	3.3	2	1.5	1.4	3
118. Tax-deferred retirement plans: IRA, SEP.....	2.6	2.5	3.1	3.4	3.7	3	2.9	1.8	1.5	2	2.5
119. Retirement plan qualifications(eligibility...)	1.7	2.1	2.5	3.2	3.4	1.6	2.1	1.2	1.7	1.9	2.2
120. Defined contribution plans (money purchase...)	2	2.2	2.8	3.5	3.5	2.2	2.5	1.7	1.5	1.7	2.3
121. Defined benefit plans	1.9	2.1	2.6	3.3	3.4	2	2.2	1.5	1.4	1.4	2.2
122. Target benefit plans	1.7	2	2.4	3.1	3.4	2	2.2	1.5	1.4	1.2	2.2
123. Distribution options for qualified plans	2.4	2.5	3.2	3.5	3.7	2.5	2.8	1.7	1.5	1.1	2.2
124. Qualified retirement plan selection/strategies	2.5	2	2.9	3.5	3.7	2	2.6	1.6	1.6	1.3	2.5
125. Social Security and Medicare	2.2	2.3	2.9	3.1	3.5	1.5	2.5	1.5	1.5	1.1	2.4
126. Group life insurance plans and income tax....	2.2	2.1	2.7	3.1	3.4	2.1	2.5	2	1.4	1.4	2.2
127 Group health insurance benefits.......	2	2	2.5	2.9	3.2	2	2.4	1.8	1.4	1.4	2.2
128 Nonqualified deferred compensation plans.....	2	2	2.5	3.1	3.4	2.1	2.5	1.8	1.5	1.2	2.2
129 Identification and coordination of retirement.	2.6	2.5	3.2	3.5	3.8	2.6	3.2	1.9	1.5	1	2.6
130. Retirement plan vehicles (charitable.....)	2.2	2.2	2.6	3.3	3.5	2.4	2.7	1.8	1.5	1	2.4
131. Post retirement and senior citizen planning	2.5	2.5	2.9	3.5	3.5	2.7	3.1	2.1	1.5	0.9	2.3

MEAN RATINGS

IMPORTANCE
(0) Of no importance
(1) Of little importance
(2) Moderately important
(3) Very important
(4) Extremely important

L - ESTATE PLANNING

Financial planners understand the estate planning process.

	FACTORS										
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
132. Estate planning process	2.6	2.7	3.6	3.3	3.5	2	2.9	1.9	2.2	1.5	2.9
133. Federal/state estate taxation	2.5	2.5	3.4	3.6	3.7	2	2.5	1.9	1.5	1.1	2.5
134. Federal/state gift taxation	2.4	2.4	3.3	3.5	3.6	2.1	2.5	1.9	1.4	1.1	2.5
135. Gross estate valuation and exclusions	2	2.3	2.8	3.6	3.7	2.1	2.7	1.8	1.3	1.1	2.6
136. Gift and estate tax computation	1.9	1.8	3.1	3.6	3.6	1.9	2.5	1.9	1.4	1.1	2.5
137. Wills, intestacy, probate	2.5	2.7	3.5	3.6	3.7	1.6	2.5	1.7	1.3	1.2	2.6
138. Trusts	2.3	2.4	3.4	3.5	3.7	1.7	2.5	1.7	1.3	1.1	2.6
139. Ownership of property	2.6	2.6	3.5	3.5	3.7	2.5	2.5	1.9	1.3	1.2	2.4
140. Will substitutes/probate avoidance	2.5	2.4	3.5	3.1	3.5	1.6	2.1	1.6	1.3	1.2	2.4
141. Life insurance contracts	2.6	2.5	3.5	3.5	3.7	2.8	2.7	2.1	1.5	1.3	2.4
142. Lifetime transfers, gifts to minors	2.5	2.3	3.5	3.3	3.6	2.1	2.6	2.1	1.4	1.2	2.5
143. Marital and charitable transfers	2.5	2.4	3.5	3.2	3.6	2	2.7	2.1	1.4	1.2	2.5
144. Intrafamily business and property transfers	2.4	2.4	3.3	3.2	3.6	2	2.6	1.8	1.4	1.2	2.5
145. Special premortem planning (e.g. living will..)	1.8	1.8	2.7	3	3.1	1.1	2.2	1.4	1	0.7	2.1
146. Postmortem planning	1.6	1.7	2.6	2.8	3	1.4	2.1	1.4	1.2	1.2	2.5
147. Utilization of business as an estate	2.1	2.3	2.9	3.1	3.4	1.9	2.4	1.7	1.4	1.3	2.5
148. Coordination of ownership and	2.2	2.4	2.9	3.3	3.4	2	2.6	1.8	1.5	1.2	2.5
149. Beneficiary designation of insurance and....	2.4	2.1	3	3.5	3.5	2.3	2.5	1.7	1.4	1.4	2.4
150. Estate liquidity needs	2.7	2.3	3	3.5	3.7	2.5	2.5	1.9	1.3	1.4	2.4